

**FY 2027-2028 EXECUTIVE RECOMMENDATION
GENERAL OMNIBUS BUDGET BILL
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EXECUTIVE BUDGET BILL

A bill to make appropriations for various state departments and agencies; the judicial branch, and the legislative branch for the fiscal year ending September 30, 2027; to provide anticipated appropriations for the fiscal year ending September 30, 2028; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

	For Fiscal	For Fiscal
	Year Ending	Year Ending
	Sept. 30, 2027	Sept. 30, 2028
APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$ 88,084,871,000	\$ 86,778,536,500
Total interdepartmental grants and intradepartmental transfers	1,338,627,100	1,338,627,100
ADJUSTED GROSS APPROPRIATION	\$ 86,746,243,900	\$ 85,439,909,400
Total federal revenues	35,993,835,400	35,992,335,400
Total local revenues	311,404,400	311,404,400
Total private revenues	235,608,800	225,608,800
Total other state restricted revenues	36,596,514,500	35,439,917,900
State general fund/general purpose	\$ 13,608,880,800	\$ 13,470,642,900

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	552.0	552.0
5	GROSS APPROPRIATION	\$ 148,047,700	\$ 147,047,700
6	Total interdepartmental grants and intradepartmental		
7	transfers	338,600	338,600
8	ADJUSTED GROSS APPROPRIATION	\$ 147,709,100	\$ 146,709,100
9	Total federal revenues	20,245,000	20,245,000
10	Total local revenues	0	0
11	Total private revenues	0	0
12	Total other state restricted revenues	54,563,700	54,563,700
13	State general fund/general purpose	\$ 72,900,400	\$ 71,900,400
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>71,900,400</i>	<i>71,900,400</i>
16	<i>One-time state general fund/general purpose</i>	<i>1,000,000</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	\$ 1,096,200	\$ 1,096,200
21	Accounting service center	1,206,700	1,206,700
22	Commissions and boards	23,800	23,800
23	Emergency management-8.0 FTE positions	2,799,700	2,799,700
24	Emerging contaminants in food and agriculture-6.0		
25	FTE positions	1,368,700	1,368,700
26	Executive direction-17.0 FTE positions	2,549,600	2,549,600
27	Property management	<u>953,200</u>	<u>953,200</u>
28	GROSS APPROPRIATION	\$ 9,997,900	\$ 9,997,900
29	Appropriated from:		
30	Federal revenues:		
31	Other federal revenues	1,065,200	1,065,200
32	Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Other state restricted revenues	650,000	650,000
2 State general fund/general purpose	\$ 8,282,700	\$ 8,282,700
3 Sec. 1-103. INFORMATION TECHNOLOGY		
4 Information technology services and projects	\$ <u>2,832,300</u>	\$ <u>2,832,300</u>
5 GROSS APPROPRIATION	\$ 2,832,300	\$ 2,832,300
6 Appropriated from:		
7 Special revenue funds:		
8 Other state restricted revenues	674,300	674,300
9 State general fund/general purpose	\$ 2,158,000	\$ 2,158,000
10 Sec. 1-104. FOOD SAFETY AND ANIMAL HEALTH		
11 Full-time equated classified positions.....	217.0	217.0
12 Animal disease prevention and response-63.0 FTE positions	\$ 11,360,700	\$ 11,360,700
13 11,360,700		
14 Animal feed safety-10.0 FTE positions	2,165,200	2,165,200
15 Food safety and quality assurance-108.0 FTE positions	19,656,600	19,656,600
16 Indemnification - livestock depredation	15,000	15,000
17 Milk safety and quality assurance-36.0 FTE positions .	<u>6,160,700</u>	<u>6,160,700</u>
18 GROSS APPROPRIATION	\$ 39,358,200	\$ 39,358,200
19 Appropriated from:		
20 Federal revenues:		
21 Other federal revenues	4,163,400	4,163,400
22 Special revenue funds:		
23 Other state restricted revenues	12,311,700	12,311,700
24 State general fund/general purpose	\$ 22,883,100	\$ 22,883,100
25 Sec. 1-106. ENVIRONMENT AND SUSTAINABILITY		
26 Full-time equated classified positions.....	117.5	117.5
27 Environmental stewardship - MAEAP-27.0 FTE positions .	\$ 11,175,800	\$ 11,175,800
28 Local conservation districts	3,000,000	3,000,000
29 Pesticide and plant pest management-79.0 FTE positions	14,032,100	14,032,100
30 Right-to-farm-6.5 FTE positions	1,073,500	1,073,500
31 Soil health/regenerative agriculture-5.0 FTE positions	<u>2,066,000</u>	<u>2,066,000</u>
32 GROSS APPROPRIATION	\$ 31,347,400	\$ 31,347,400

For Fiscal
Year Ending
Sept. 30, 2027

For Fiscal
Year Ending
Sept. 30, 2028

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from department of environment, great lakes, and		
4	energy.....	97,800	97,800
5	Federal revenues:		
6	Other federal revenues	3,389,300	3,389,300
7	Special revenue funds:		
8	Other state restricted revenues	15,019,700	15,019,700
9	State general fund/general purpose	\$ 12,840,600	\$ 12,840,600
10	Sec. 1-108. AGRICULTURE DEVELOPMENT		
11	Full-time equated classified positions.....	73.0	73.0
12	Agricultural support-5.0 FTE positions	\$ 919,900	\$ 919,900
13	Agriculture development-16.0 FTE positions	4,927,800	4,927,800
14	Agricultural preservation easement grants	1,900,000	1,900,000
15	Fair food network - double up food bucks	4,000,000	4,000,000
16	Farm to family-6.0 FTE positions	3,021,100	3,021,100
17	Farm start-2.0 FTE positions	2,000,000	2,000,000
18	Farmland and open space preservation-10.0 FTE		
19	positions	1,639,800	1,639,800
20	Food and agriculture investment program	2,449,300	2,449,300
21	Food and agriculture supply chain-1.0 FTE position ...	305,000	305,000
22	Fruit and vegetable inspections-8.0 FTE positions	1,330,400	1,330,400
23	Intercounty drain-5.0 FTE positions	910,700	910,700
24	Michigan craft beverage council-1.0 FTE position	1,353,000	1,353,000
25	Migrant labor housing-9.0 FTE positions	1,433,500	1,433,500
26	Producer security/grain dealers-6.0 FTE positions	1,059,800	1,059,800
27	Qualified forest program-4.0 FTE positions	<u>8,147,600</u>	<u>8,147,600</u>
28	GROSS APPROPRIATION	\$ 35,397,900	\$ 35,397,900
29	Appropriated from:		
30	Federal revenues:		
31	Other federal revenues	8,091,600	8,091,600
32	Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Other state restricted revenues	10,229,600	10,229,600
2	State general fund/general purpose	\$ 17,076,700	\$ 17,076,700
3	Sec. 1-109. LABORATORY AND CONSUMER PROTECTION		
4	Full-time equated classified positions.....	113.5	113.5
5	Consumer protection program-39.0 FTE positions	\$ 7,104,200	\$ 7,104,200
6	Integrated solutions-25.0 FTE positions	3,925,400	3,925,400
7	Laboratory services-40.5 FTE positions	8,545,900	8,545,900
8	USDA monitoring-9.0 FTE positions	<u>1,774,300</u>	<u>1,774,300</u>
9	GROSS APPROPRIATION	\$ 21,349,800	\$ 21,349,800
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from department of licensing and regulatory		
13	affairs.....	240,800	240,800
14	Federal revenues:		
15	Other federal revenues	3,535,500	3,535,500
16	Special revenue funds:		
17	Other state restricted revenues	9,164,200	9,164,200
18	State general fund/general purpose	\$ 8,409,300	\$ 8,409,300
19	Sec. 1-111. FAIRS AND EXPOSITIONS		
20	County fairs, shows, and expositions	\$ 250,000	\$ 250,000
21	Fairs and racing	376,600	376,600
22	Horse racing advisory commission	125,000	125,000
23	Purses and supplements - fairs/licensed tracks	3,017,600	3,017,600
24	Standardbred breeders' awards	503,900	503,900
25	Standardbred purses and supplements - licensed tracks	1,441,100	1,441,100
26	Standardbred sire stakes	<u>1,050,000</u>	<u>1,050,000</u>
27	GROSS APPROPRIATION	\$ 6,764,200	\$ 6,764,200
28	Appropriated from:		
29	Special revenue funds:		
30	Other state restricted revenues	6,514,200	6,514,200
31	State general fund/general purpose	\$ 250,000	\$ 250,000
32	Sec. 1-112. ONE-TIME APPROPRIATIONS		

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Fair food network - double up food bucks	\$ 1,000,000	\$ 0
2	GROSS APPROPRIATION	\$ 1,000,000	\$ 0
3	Appropriated from:		
4	Special revenue funds:		
5	State general fund/general purpose	\$ 1,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

GENERAL SECTIONS

Sec. 1-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2027 is \$127,464,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$10,400,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Environmental stewardship - MAEAP.....	\$	4,100,000
Local conservation districts.....		3,000,000
Agricultural preservation easement grants.....		1,900,000
Qualified forest program.....		<u>1,400,000</u>
TOTAL	\$	10,400,000

Sec. 1-202. 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. 1-203. As used in part 1 and this part:

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

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

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

(d) "IDG" means interdepartmental grant.

(e) "MAEAP" means the Michigan agriculture environmental assurance program. environment, Great Lakes, and energy.

(f) "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.

(g) "TB" means tuberculosis.

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

Sec. 1-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and

1 conspicuously post each required report in a single archivable location on the department's
2 or agency's Michigan.gov website not later than the due date required for each report. In
3 addition to placing all reports required in the current fiscal year on the department's or
4 agency's website, the department or agency shall maintain on its website all reports placed
5 on the website from previous fiscal years posted by fiscal year in the same single
6 archivable location. The department or agency shall also transmit all required reports for
7 the current fiscal year to the standard recipients and any other required recipients by
8 email.

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

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

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

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

20 Sec. 1-206. (1) The department shall maximize utilization of its in-person state
21 workforce. The department shall prioritize occupancy utilization of office space for each
22 division within the department. Employees with job responsibilities that require the
23 employees to serve in their capacities outside of an office shall be monitored each pay
24 period to ensure all work hours reported on the timesheet were actually worked.

25 (2) The department shall comply with requirements set forth by the office of the
26 state employer on in-person work and utilization and occupancy rates of state buildings to
27 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
28 market conditions.

29 (3) The department shall adhere to civil service rules and regulations that state the
30 standard biweekly work period for a full-time employee in the classified service of this
31 state is the equivalent of 80.0 hours of work. The department shall establish policies and
32 processes to ensure all employees are working their jobs during agreed upon business hours.

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

9 (a) The dates of each travel occurrence.

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

13 Sec. 1-208. Not later than 6 months after the state budget office issues work project
14 letters, a department, agency and the legislature shall submit an annual report that
15 summarizes all work project accounts. The report must include all of the following:

16 (a) A list of all work project accounts.

17 (b) The status of all work project accounts, including amounts expended, amounts
18 encumbered, and available balances for each account.

19 (c) The amount of funds that lapsed from any previously designated work project
20 accounts, the name and description of the work project account, and the funds that received
21 the lapsed amounts.

22 Sec. 1-209. 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 appropriations
28 committees.

29 Sec. 1-210. (1) In addition to the funds appropriated in part 1, there is
30 appropriated an amount not to exceed \$3,000,000.00 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 \$2,000,000.00 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 \$100,000.00 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 \$100,000.00 for private contingency funds. These funds are not available for
12 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. 1-211. A department or agency shall cooperate with the department of technology,
15 management and budget to maintain a searchable website accessible by the public at no cost
16 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

21 Sec. 1-212. (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 Sec. 1-213. To the extent permissible under the management and budget act, 1984 PA
26 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
27 appropriations in part 1 shall take all reasonable steps to ensure geographically
28 disadvantaged business enterprises compete for and perform contracts to provide services or
29 supplies, or both. Each director shall strongly encourage firms with which the department
30 or agency contracts to subcontract with certified geographically disadvantaged business
31 enterprises for services, supplies, or both. As used in this section, "geographically
32 disadvantaged business enterprises" means that term as defined in Executive Directive No.

1 2023-1.

2 Sec. 1-214. The department must provide an annual report to the standard report
3 recipients detailing significant federal policy changes that do, or are expected to
4 significantly impact the operations of the department, including reductions in federal
5 revenue and/or changes that are likely to lead to a reduction in the department's ability
6 to safeguard the health or welfare of the public.

7 Sec. 1-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
8 agencies shall provide to the state budget office a jointly agreed upon list of
9 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
10 of 2025. The list must include all information and documents pertaining to the funded items
11 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

12 (2) In accordance with section 364(4) of the Management and Budget Act, the
13 department or agency administering the grant shall post a report in a publicly accessible
14 location on its website beginning March 15 of the current fiscal year. The department or
15 agency shall update the report and shall post an updated report not later than June 15 of
16 the current fiscal year and again not later than September 15 of the current fiscal year.
17 The department shall include in the report the most comprehensive information the
18 department has available at the time of posting for grants awarded.

19 Sec. 1-216. On a quarterly basis, a department or agency receiving appropriations in
20 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
21 classification, including comparison by line item of the number of FTEs authorized from
22 funds appropriated in part 1 to the actual number of FTE positions employed by the
23 department or agency at the end of the reporting period. The report must be submitted to
24 the senate and house appropriations committees and to the standard report recipients.

25 Sec. 1-217. The state budget director shall take steps to ensure that all state
26 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
27 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
28 recovery funds that would otherwise lapse after September 30, 2026, are automatically
29 reappropriated for the same purpose as originally authorized and available for expenditure
30 through December 31, 2026, and any subsequent financial close out period.

31 Sec. 1-218. (1) The state budget director shall take steps to ensure that all state
32 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,

1 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
2 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
3 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
4 that may include, but are not limited to, completed projects coming in under budget or
5 funds unable to be fully used by subrecipients. The state budget director shall reallocate
6 any of the funds reallocated under this subsection to the programs or purposes specified in
7 this section. Any funds reallocated are unappropriated and immediately reappropriated for
8 the following purposes:

9 (a) To reclassify general fund/general purpose appropriations for payroll and covered
10 benefits for eligible public health and safety employees at the department of corrections.

11 (b) To reclassify general fund/general purpose appropriations for payroll and covered
12 benefits for eligible public health and safety employees at the department of state police.

13 (2) All applicable guidance, implementation, and reporting provisions of Public Law
14 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
15 subsection (1).

16 (3) The state budget director shall notify the senate and house appropriations
17 committees not later than 10 business days after making any reallocations under subsection
18 (1). The notification must include the authorized program under which funds were originally
19 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
20 department to which the funds are being reallocated under subsection (1), and the amount
21 reallocated to each program or purpose.

22

23 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

30 (c) Laboratory support analyses of food, livestock, and agricultural products for
31 disease, foreign products for disease, toxic materials, foreign substances, and quality
32 standards.

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

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

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

12 Sec. 1-302. (1) The department may contract with or provide grants to local units of
13 government, institutions of higher education, or nonprofit organizations to support
14 activities authorized by appropriations in part 1.

15 (2) The department shall notify members of the legislature of grants or contracts
16 awarded to recipients located within a member's legislative district.

17 (3) As used in this section:

18 (a) "Contracts" includes, but is not limited to, contracts for delivery of
19 groundwater/freshwater programs, MAEAP technical assistance, forest management, invasive
20 species monitoring, and wildlife risk mitigation.

21 (b) "Grants" includes, but is not limited to, grants promoting proper pesticide
22 disposal and research grants for the purpose of enhancing the agricultural industries in
23 this state.

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

32 (2) The unexpended funds appropriated in part 1 for emerging contaminants in food and

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

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

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

12 (c) The estimated cost of this project is \$1,368,700.00.

13 (d) The tentative completion date for the work project is September 30, 2031.

14

15 **FOOD SAFETY AND ANIMAL HEALTH**

16 Sec. 1-401. Not later than April 1, the department shall report on the previous
17 calendar year's activities of the bureau of food safety and animal health. The report must
18 include the following:

19 (a) Information on activities and outcomes of the dairy safety and inspection
20 program, the food safety inspection program, the foodborne illness and emergency response
21 program, and the food service program.

22 (b) Significant foodborne outbreaks and emergencies, including any significant
23 enforcement actions taken related to food safety.

24 (c) All indemnification payments for livestock depredation made including all of the
25 following:

26 (i) The reason for the indemnification.

27 (ii) The amount of the indemnification.

28 (iii) The person for whom the indemnification was paid.

29 Sec. 1-402. From the funds appropriated in part 1, the department shall pay for all
30 whole herd bovine TB testing costs and individual animal testing costs in the modified
31 accredited zone and buffer counties as referenced in the current memorandum of
32 understanding between the department and the USDA to maintain split-state status

1 requirements. These costs include indemnity and compensation for injury causing death or
2 downer to animals.

3 Sec. 1-403. The department shall collaborate with the USDA to monitor bovine TB,
4 consistent with the current required memorandum of understanding between the department and
5 the USDA.

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

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

10 (b) Infected herd bovine TB testing.

11 Sec. 1-405. (1) Not later than October 15, the department shall provide a report on
12 bovine TB status and department activities.

13 (2) For each fiscal quarter following the report required in subsection (1), the
14 department shall provide an update that identifies the following:

15 (a) Significant impacts to the program, including new incidence of bovine TB in this
16 state, department activity associated with specific new incidence of bovine TB, any changes
17 in USDA requirements or movement orders, and information and data on wildlife risk
18 mitigation plan implementation in the modified accredited zone.

19 (b) Implementation of a movement certificate process.

20 (c) Progress toward annual surveillance test requirements.

21 (d) Efforts to work with slaughter facilities in this state, as well as those that
22 slaughter a significant number of animals from this state.

23 (e) Educational programs and information for this state's livestock community.

24

25 **ENVIRONMENT AND SUSTAINABILITY**

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

28 Sec. 1-502. (1) The purpose of the part 1 appropriation for soil health and
29 regenerative agriculture is to advance the adoption and implementation of best regenerative
30 agricultural practices and new environmentally sustainable technologies, promoting soil
31 health and regenerative agriculture principles throughout the state.

32 (2) From the funds appropriated in part 1 for soil health/regenerative agriculture,

1 the department shall do both of the following:

2 (a) Promote the principles of soil health and regenerative agriculture through at
3 least the following:

4 (i) The maintenance of soil cover.

5 (ii) The minimization of soil disturbance.

6 (iii) The maximization of plant and crop diversity.

7 (iv) The maximization of the presence of living roots.

8 (v) The integration of livestock into the cropping systems.

9 (b) Ensure that program outcomes include at least the following:

10 (i) The increase of soil organic matter content.

11 (ii) The improvement of soil water infiltration capacity.

12 (iii) The increase in soil water holding capacity.

13 (iv) The improvement of soil biological capacity to break down plant residue and
14 other substances and to maintain soil aggregation.

15 (v) The improvement of soil nutrient sequestration and cycling capacity.

16 (vi) The reduction of nutrient losses.

17 (vii) The increase of carbon sequestration capacity of soil.

18 (3) From the funds appropriated in part 1 for soil health/regenerative agriculture,
19 the department shall promote practices of soil health and regenerative agriculture,
20 including the use of no-till farming, intercropping, cover crops, multispecies cover crops,
21 roller crimping, managed rotational grazing, and other practices identified that utilize
22 natural biological processes to advance the goals of soil health and regenerative
23 agriculture.

24 (4) Funds appropriated in part 1 for soil health/regenerative agriculture shall not
25 be used for applied research into the precision application of fertilizer, pesticides, or
26 herbicides.

27 (5) In the report required under section 501 of this part, the department shall
28 provide information on the program described in this section, including department
29 activities, uses of program funds by activity or project, contractors, grantees, and a
30 summary of projects and project results.

31 (6) Of the funds appropriated in part 1 for soil health/regenerative agriculture, not
32 less than \$1,000,000.00 must be used by the department to partner with the state land grant

1 university through MSU Extension and AgBioResearch to develop, implement, and evaluate a
2 soil health/regenerative agriculture program. The partnership described in this subsection
3 must be focused on researching and assisting the agricultural industry in implementing soil
4 health/regenerative agricultural principles and techniques.

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

10 Sec. 1-506. The department may receive and expend federal revenues up to a total of
11 \$1,000,000.00 in excess of the federal revenue appropriated in part 1 for environmental
12 stewardship and MAEAP activities.

13 Sec. 1-507. (1) From the appropriations in part 1 for local conservation districts,
14 \$3,000,000.00 must be distributed through a grant program to local conservation districts
15 in this state that were in operation in the previous fiscal year based upon criteria
16 established by the department.

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

21

22 **AGRICULTURE DEVELOPMENT**

23 Sec. 1-601. (1) From the funds appropriated in part 1 for the food and agriculture
24 investment program, the department shall operate a food and agriculture investment program
25 that does the following:

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

27 (b) Promote food security.

28 (c) Develop local and regional food systems.

29 (d) Grow Michigan exports.

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

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

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

3 (h) Increase food processing activities within this state by accelerating investment
4 projects and infrastructure development that support growth in production agriculture and
5 food and agriculture processing, expand opportunity to new agricultural producers and
6 processors, promote agriculture tourism and agricultural heritage, and develop agricultural
7 education and interpretation activities.

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

10 (3) Before the allocation of funding, all projects must receive approval from the
11 Michigan commission of agriculture and rural development, except for projects selected
12 through a competitive process by a joint evaluation committee selected by the director and
13 consisting of representatives that have agriculture, food security, local and regional food
14 systems, business, and economic development expertise. Projects funded through the food and
15 agriculture investment program will be required to have a grant agreement that outlines
16 milestones and activities that must be met in order to receive a disbursement of funds.
17 Projects must also identify measurable project outcomes.

18 (4) The unexpended funds appropriated in part 1 for the food and agriculture
19 investment program are designated as a work project appropriation, and any unencumbered or
20 unallotted funds do not lapse at the end of the fiscal year and are available for
21 expenditures for projects under this section until the projects have been completed. The
22 following is in compliance with section 451a(1) of the management and budget act, 1984 PA
23 431, MCL 18.1451a:

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

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

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

30 (d) The tentative completion date for the work project is September 30, 2029.

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

- 1 (a) Grants.
- 2 (b) Loans or loan guarantees.
- 3 (c) Infrastructure development.
- 4 (d) Other economic assistance.
- 5 (e) Program administration.
- 6 (f) Export assistance.

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

9 (7) In awarding grants under the food and agriculture investment program, the
10 department shall identify and encourage applications from members of socially disadvantaged
11 groups, women, veterans, and beginning farmers and ranchers. In awarding grants under the
12 food and agriculture investment program, the department must also prioritize Michigan-based
13 small businesses, nonprofits, and organizations promoting agriculture and food security
14 activities.

15 Sec. 1-602. (1) From the funds appropriated in part 1 for fair food network - double
16 up food bucks, the department shall work with the fair food network to ensure that at least
17 80% of the funds allocated to the double up food bucks program are directly used for the
18 payments to participating vendors.

19 (2) The department shall work with the department of health and human services to do
20 the following:

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

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

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

29 (4) Not later than June 1, the department shall submit a report on activities and
30 outcomes of the double up food bucks program. The report must contain the following:

31 (b) Counties with participating double up food bucks vendors, the number of vendors
32 by county, and the name and location of vendors, as of May 1. The report must identify

1 counties and vendors added to the program or removed from the program since May 1 of the
2 prior fiscal year.

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

4 Sec. 1-603. (1) Not later than April 1, the department shall report on the previous
5 calendar year's activities of the agriculture development bureau.

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

8 (a) The name of the grantee.

9 (b) The amount of the grant.

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

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

13 (e) The completion date of grant-funded activities

14 (3) The report must include the following information on the Michigan craft beverage
15 council established under section 303 of the Michigan liquor control code of 1998, 1998 PA
16 58, MCL 436.1303:

17 (a) Council activities and accomplishments

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

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

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

24 Sec. 1-604. Unexpended industry support fund revenues at the end of the fiscal year
25 shall be carried forward into the industry support fund in the succeeding fiscal year and
26 do not lapse to the general fund.

27 Sec. 1-605. (1) The appropriations in part 1 for the qualified forest program are for
28 the purpose of increasing the knowledge of nonindustrial private forestland owners
29 regarding sound forest management practices and increasing the amount of commercial timber
30 production from those lands.

31 (2) The department shall work in partnership with stakeholder groups and other state
32 and federal agencies to increase the active management of nonindustrial private forestland

1 to foster the growth of this state's timber product industry.

2 Sec. 1-606. From the funds appropriated in part 1, the department shall maintain
3 coordination with the department of treasury to improve the timely processing and issuance
4 of tax credits under section 36109 of the natural resources and environmental protection
5 act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation
6 program under parts 361 and 362 of the natural resources and environmental protection act,
7 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207. The improvement of
8 timely processing and issuance, as described in this section, includes, but is not limited
9 to:

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

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

13 (c) The provision of a clear and understood timeline for the issuance of any tax
14 credits.

15 Sec. 1-607. The department shall collaborate with the department of labor and
16 economic opportunity's office of rural prosperity on the rural development fund grant
17 program as part of the state's coordinated strategy for achieving rural prosperity across
18 the state.

19

20 **LABORATORY AND CONSUMER PROTECTION**

21 Sec. 1-701. The department shall report by April 1 on the previous calendar year's
22 activities of the laboratory bureau.

23 Sec. 1-702. Funds from the appropriations in part 1 shall not be used for the purpose
24 of consolidating state-run laboratories.

25

26 **FAIRS AND EXPOSITIONS**

27 Sec. 1-801. All appropriations from the agriculture equine industry development fund
28 must be spent on equine-related purposes. Funds from the agriculture equine industry
29 development fund shall not be expended for non-equine-related purposes without prior
30 approval of the legislature.

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

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

3 (b) Any remaining funds collected through September 30, 2026 after the obligations in
4 subdivision (a) have been met, must be prorated among the county fairs, supplements,
5 breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance
6 with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

7 Sec. 1-803. From the funds appropriated in part 1 from purses and supplements -
8 fairs/licensed tracks, \$720,000.00 may be spent only if there is no standardbred race
9 meeting in this state that is licensed under the horse racing law of 1995, 1995 PA 279, MCL
10 431.301 to 431.336, by January 1.

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

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

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

18 (2) The department shall award grants on a competitive basis to county fairs or other
19 organizations from the funds appropriated in part 1 for county fairs, shows, and
20 expositions grants. Grantees will be required to provide a 50% cash match with grant awards
21 and identify measurable project outcomes. A county fair organization that received a county
22 fair capital improvement grant in the prior fiscal year must not receive a grant from the
23 appropriation in part 1.

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

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

32 (5) The department shall identify criteria, evaluate applications, and provide

1 recommendations to the director for final approval of grant awards.

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

4 (7) The unexpended portion of the appropriation in part 1 for county fairs, shows,
5 and expositions grants are designated as a work project appropriation and any unencumbered
6 or 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 support building improvements or other capital
11 improvements at county fairgrounds of this state.

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

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

16 (d) The estimated cost of the project is \$250,000.00.

17 (e) The tentative completion date for the work project is September 30, 2029.

18 (8) The department shall provide a year-end report on the county fairs, shows, and
19 expositions grants no later than December 1, that includes a listing of the grantees, award
20 amounts, match funding, project outcomes, and department costs of grant 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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	679.0	679.0
5	GROSS APPROPRIATION	\$ 130,692,400	\$ 128,037,300
6	Total interdepartmental grants and intradepartmental		
7	transfers	39,899,600	39,899,600
8	ADJUSTED GROSS APPROPRIATION	\$ 90,792,800	\$ 88,137,700
9	Total federal revenues	10,710,500	10,710,500
10	Total local revenues	0	0
11	Total private revenues	961,400	961,400
12	Total other state restricted revenues	31,073,200	30,618,100
13	State general fund/general purpose	\$ 48,047,700	\$ 45,847,700
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>45,847,700</i>	<i>45,847,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>2,200,000</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.....	679.0	679.0
20	Alcohol and gambling enforcement division-17.0 FTE		
21	positions	\$ 2,926,300	\$ 2,926,300
22	Assistance with convictions and expungements-30.0 FTE		
23	positions	4,734,600	4,734,600
24	Attorney general-1.0 FTE position	112,500	112,500
25	Child elder family financial crimes division-20.5 FTE		
26	positions	5,154,400	5,154,400
27	Child support enforcement-25.0 FTE positions	4,141,300	4,141,300
28	Children and youth services division-28.0 FTE		
29	positions	5,392,700	5,392,700
30	Civil rights and elections-12.0 FTE positions	2,485,100	2,485,100
31	Collections-15.5 FTE positions	2,818,800	2,818,800
32	Corporate oversight division-48.0 FTE positions	9,414,500	9,414,500

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Corrections-40.0 FTE positions	7,809,500	7,809,500
2	Criminal appellate division-17.0 FTE positions	2,421,600	2,421,600
3	Criminal investigations-46.0 FTE positions	3,029,900	3,029,900
4	Criminal trials-37.0 FTE positions	10,824,500	10,824,500
5	Environment, natural resources, and agriculture division		
6	34.0 FTE positions	6,840,500	6,840,500
7	Executive-7.0 FTE positions	1,313,100	1,313,100
8	Finance division-11.0 FTE positions	2,414,400	2,414,400
9	Fiscal management-9.0 FTE positions	1,284,500	1,284,500
10	Health care fraud division-35.0 FTE positions	6,289,100	6,289,100
11	Health education and family services-36.0 FTE		
12	positions	5,881,900	5,881,900
13	Human resources-7.0 FTE positions	1,135,500	1,135,500
14	Labor division-34.0 FTE positions	5,300,200	5,300,200
15	Licensing and regulation division-38.0 FTE positions .	5,014,900	5,014,900
16	Office of communications-9.0 FTE positions	1,193,200	1,193,200
17	Office of legislative affairs-2.0 FTE positions	422,100	422,100
18	Opinions review board-1.0 FTE position	332,300	332,300
19	Public administration-3.0 FTE positions	427,700	427,700
20	Public service commission-14.0 FTE positions	2,509,600	2,509,600
21	Revenue and tax-27.0 FTE positions	5,690,100	5,690,100
22	Sexual assault law enforcement-5.0 FTE positions	1,507,100	1,507,100
23	Solicitor general-4.0 FTE positions	1,697,900	1,697,900
24	Special litigation-5.0 FTE positions	2,126,100	2,126,100
25	State operations-42.0 FTE positions	8,696,200	8,696,200
26	Transportation-10.0 FTE positions	2,579,300	2,579,300
27	Unclassified salaries-5.0 FTE positions	1,022,900	1,022,900
28	Victim rights/victim services-10.0 FTE positions	1,368,600	1,368,600
29	GROSS APPROPRIATION	\$ 126,312,900	\$ 126,312,900
30	Appropriated from:		
31	Interdepartmental grant revenues:		
32	IDG from department of corrections	745,700	745,700

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	IDG from department of education	832,000	832,000
2	IDG from department of environment, great lakes,		
3	and energy	2,468,400	2,468,400
4	IDG from department of health and human services	8,553,200	8,553,200
5	IDG from department of insurance and financial		
6	services	1,644,800	1,644,800
7	IDG from department of labor and economic opportunity	1,825,000	1,825,000
8	IDG from department of licensing and regulatory		
9	affairs	8,762,500	8,762,500
10	IDG from department of military and veterans affairs .	185,100	185,100
11	IDG from department of state	45,000	45,000
12	IDG from department of state police	291,400	291,400
13	IDG from department of technology, management and		
14	budget	3,143,900	3,143,900
15	IDG from department of transportation	2,579,300	2,579,300
16	IDG from department of treasury	7,798,800	7,798,800
17	IDG from department of lifelong education, advancement,		
18	and potential	1,024,500	1,024,500
19	Federal revenues:		
20	Other federal revenues	10,710,500	10,710,500
21	Special revenue funds:		
22	Private revenues	961,400	961,400
23	Michigan merit award trust fund	550,800	550,800
24	Other state restricted revenues	30,067,300	30,067,300
25	State general fund/general purpose	\$ 44,123,300	\$ 44,123,300
26	Sec. 2-103. INFORMATION TECHNOLOGY		
27	Information technology services and projects	\$ <u>1,724,400</u>	\$ <u>1,724,400</u>
28	GROSS APPROPRIATION	\$ 1,724,400	\$ 1,724,400
29	Appropriated from:		
30	Special revenue funds:		
31	State general fund/general purpose	\$ 1,724,400	\$ 1,724,400
32	Sec. 2-104. ONE-TIME APPROPRIATIONS		

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Prosecuting attorneys coordinating council	\$ 2,655,100	\$ 0
2	GROSS APPROPRIATION	\$ 2,655,100	\$ 0
3	Appropriated from:		
4	Special revenue funds:		
5	Other state restricted revenues	455,100	0
6	State general fund/general purpose	\$ 2,200,000	\$ 0

1 PART 2

2 PROVISIONS CONCERNING APPROPRIATIONS

3 FISCAL YEAR 2027

4
5 **GENERAL SECTIONS**

6 Sec. 2-201. Pursuant to section 30 of article IX of the state constitution of 1963,
7 total state spending from state sources under part 1 for the fiscal year ending September
8 30,2027 is \$79,120,900.00 and state spending from state sources to be paid to local units
9 of government for fiscal year 2027 is \$0.00.

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

12 Sec. 2-203. As used in this part and part 1:

13 (a) "Department" means the department of attorney general.

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

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

16 (d) "IDG" means interdepartmental grant.

17 (e) "DNA" means deoxyribonucleic acid.

18 Sec. 2-204. A department or agency shall use the internet to fulfill the reporting
19 requirements of this part and shall make each report readily accessible to the public and
20 conspicuously post each required report in a single archivable location on the department's
21 or agency's Michigan.gov website not later than the due date required for each report. In
22 addition to placing all reports required in the current fiscal year on the department's or
23 agency's website, the department or agency shall maintain on its website all reports placed
24 on the website from previous fiscal years posted by fiscal year in the same single
25 archivable location. The department or agency shall also transmit all required reports for
26 the current fiscal year to the standard recipients and any other required recipients by
27 email.

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

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

1 both, are available.

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

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

7 Sec. 2-206. (1) The department shall maximize utilization of its in-person state
8 workforce. The department shall prioritize occupancy utilization of office space for each
9 division within the department. Employees with job responsibilities that require the
10 employees to serve in their capacities outside of an office shall be monitored each pay
11 period to ensure all work hours reported on the timesheet were actually worked.

12 (2) The department shall comply with requirements set forth by the office of the
13 state employer on in-person work and utilization and occupancy rates of state buildings to
14 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
15 market conditions.

16 (3) The department shall adhere to civil service rules and regulations that state the
17 standard biweekly work period for a full-time employee in the classified service of this
18 state is the equivalent of 80.0 hours of work. The department shall establish policies and
19 processes to ensure all employees are working their jobs during agreed upon business hours.

20 Sec. 2-207. Consistent with section 217 of the management and budget act, 1984 PA
21 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
22 prepare a report on out of state travel expenses not later than January 1. The report must
23 list all travel by classified and unclassified employees outside this state in the previous
24 fiscal year that was funded in whole or in part with funds appropriated in the department's
25 or agency's budget. The department or agency shall submit the report to the standard report
26 recipients and to the house and senate appropriations committees. The report must include
27 all of the following information:

28 (a) The dates of each travel occurrence.

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

32 Sec. 2-208. Not later than 6 months after the state budget office issues work project

1 letters, a department, agency and the legislature shall submit an annual report that
2 summarizes all work project accounts. The report must include all of the following:

3 (a) A list of all work project accounts.

4 (b) The status of all work project accounts, including amounts expended, amounts
5 encumbered, and available balances for each account.

6 (c) The amount of funds that lapsed from any previously designated work project
7 accounts, the name and description of the work project account, and the funds that received
8 the lapsed amounts.

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

16 Sec. 2-210. (1) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$750,000.00 for federal contingency funds. These funds
18 are not available for expenditure until they have been transferred to another line item in
19 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
20 18.1393.

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

25 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
26 not to exceed \$50,000.00 for local 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 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
30 not to exceed \$50,000.00 for private 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 Sec. 2-211. A department or agency shall cooperate with the department of technology,
2 management and budget to maintain a searchable website accessible by the public at no cost
3 that includes, but is not limited to, all of the following for each department or agency:

- 4 (a) Fiscal year-to-date expenditures by category.
- 5 (b) Fiscal year-to-date expenditures by appropriation unit.

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

8 Sec. 2-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a
9 marginalized community's access to government resources, programs, or facilities.

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

12 Sec. 2-213. 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. 2-214. The department must provide an annual report to the standard report
22 recipients detailing significant federal policy changes that do, or are expected to
23 significantly impact the operations of the department, including reductions in federal
24 revenue and/or changes that are likely to lead to a reduction in the department's ability
25 to safeguard the health or welfare of the public.

26 Sec. 2-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
27 agencies shall provide to the state budget office a jointly agreed upon list of
28 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
29 of 2025. The list must include all information and documents pertaining to the funded items
30 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

31 (2) In accordance with section 364(4) of the Management and Budget Act, the
32 department or agency administering the grant shall post a report in a publicly accessible

1 location on its website beginning March 15 of the current fiscal year. The department or
2 agency shall update the report and shall post an updated report not later than June 15 of
3 the current fiscal year and again not later than September 15 of the current fiscal year.
4 The department shall include in the report the most comprehensive information the
5 department has available at the time of posting for grants awarded.

6 Sec. 2-216. 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. 2-217. The state budget director shall take steps to ensure that all state
13 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
14 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
15 recovery funds that would otherwise lapse after September 30, 2026, are automatically
16 reappropriated for the same purpose as originally authorized and available for expenditure
17 through December 31, 2026, and any subsequent financial close out period.

18 Sec. 2-218. (1) The state budget director shall take steps to ensure that all state
19 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
20 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
21 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
22 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
23 that may include, but are not limited to, completed projects coming in under budget or
24 funds unable to be fully used by subrecipients. The state budget director shall reallocate
25 any of the funds reallocated under this subsection to the programs or purposes specified in
26 this section. Any funds reallocated are unappropriated and immediately reappropriated for
27 the following purposes:

28 (a) To reclassify general fund/general purpose appropriations for payroll and covered
29 benefits for eligible public health and safety employees at the department of corrections.

30 (b) To reclassify general fund/general purpose appropriations for payroll and covered
31 benefits for eligible public health and safety employees at the department of state police.

32 (2) All applicable guidance, implementation, and reporting provisions of Public Law

1 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
2 subsection (1).

3 (3) The state budget director shall notify the senate and house appropriations
4 committees not later than 10 business days after making any reallocations under subsection
5 (1). The notification must include the authorized program under which funds were originally
6 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
7 department to which the funds are being reallocated under subsection (1), and the amount
8 reallocated to each program or purpose.

9

10 **DEPARTMENT OF ATTORNEY GENERAL**

11 Sec. 2-302. (1) The attorney general shall provide, upon request, legal services to a
12 principal executive department or state agency, including representation before courts and
13 administrative agencies, rendering legal opinions, and providing legal advice.

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 \$804,300.00 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 Michigan
2 department of corrections and its officers, employees, and agents, including, but not
3 limited to, the defense of litigation in civil actions filed by prisoners against this
4 state, its departments, officers, employees, or agents. (2) Not later than March 1, the
5 department of attorney general shall submit a report to the standard report recipients and
6 the house of representatives and senate appropriations subcommittees with jurisdiction over
7 the budget of the Michigan department of corrections. The report must include all of the
8 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 department of
16 health and human services, as the state IV-D agency, for federal IV-D funding to support
17 the child support enforcement 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. 2-312. The department of attorney general shall not receive or expend funds,
22 other than those authorized in part 1, for legal services provided specifically to other
23 state departments or agencies except for expert witness costs, court costs, or other
24 nonsalary litigation costs associated with a pending legal action.

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

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

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

32 (c) Earned settlement proceeds that are anticipated but not yet deposited in the fund

1 delineated by case.

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

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

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

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

11 (c) To provide victim services.

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

15 (a) The number of sexual assault kits across this state that remain untested as of
16 January 31, 2027.

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

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

22 (3) Any funds remaining after the department of attorney general has met the
23 obligations required under subsection (1) may be used for the purpose of retesting any
24 previously tested sexual assault kits across this state using currently available DNA
25 testing. Funds may be used under this subsection only for DNA testing on previously tested
26 kits that were not tested for DNA. If there are remaining untested sexual assault kits on
27 January 31, 2027, funds appropriated in part 1 must be used only for the testing of those
28 kits.

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

32 (a) All payments made from the wrongful imprisonment compensation fund in each prior

1 quarter of the fiscal year, and the total of those payments, including if each payment is
2 part of a new settlement or part of an installment plan.

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

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

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

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

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

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

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

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

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

19 Sec. 2-320. (1) From the funds appropriated in part 1, the department of attorney
20 general shall do all of the following:

21 (a) Not later than 14 days after the settlement of a lawsuit with a fiscal impact of
22 \$200,000.00 or more, submit a report on the settlement to the standard report recipients.

23 (b) Enforce the laws of this state.

24 (2) Any proceeds from a lawsuit initiated by or settlement agreement entered into on
25 behalf of this state against a manufacturer of tobacco products or manufacturer or
26 distributor of opioid products by the attorney general are state funds, unless otherwise
27 directed by a court or legal agreement, and are subject to appropriation as provided by
28 law.

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

1 agreement.

2 Sec. 2-322. (1) Not later than February 1, the department of attorney general shall
3 submit a report to the standard report recipients on the cumulative dollar expenditure
4 amount related to each of the following initiatives and activities of the department of
5 attorney general for the immediately preceding fiscal year:

6 (a) Elder abuse task force.

7 (b) Conviction integrity unit.

8 (c) Opioid litigation.

9 (d) Hate crimes unit and domestic terrorism unit.

10 (e) Payroll fraud enforcement unit.

11 (f) PFAS contamination. As used in this subdivision, "PFAS" means perfluoroalkyl and
12 polyfluoroalkyl substances.

13 (g) Human trafficking.

14 (h) Robocall enforcement.

15 (i) Job court.

16 (j) Organized retail crime unit.

17 (k) Reducing utility rate increases.

18 (l) Address confidentiality program.

19 (2) For each expenditure required to be reported under subsection (1), the report
20 must include the dollar amount spent by fund source.

21 (3) For each initiative listed under subsection (1), the department of attorney
22 general shall provide a summary of activities, staffing levels, and outcomes as feasible.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	DEPARTMENT OF CIVIL RIGHTS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	168.0 168.0
5	GROSS APPROPRIATION	\$ 29,444,300 \$ 29,444,300
6	Total interdepartmental grants and intradepartmental	
7	transfers	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 29,444,300 \$ 29,444,300
9	Total federal revenues	3,435,200 3,435,200
10	Total local revenues	0 0
11	Total private revenues	18,700 18,700
12	Total other state restricted revenues	58,500 58,500
13	State general fund/general purpose	\$ 25,931,900 \$ 25,931,900
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>25,931,900 25,931,900</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 3-102. CIVIL RIGHTS OPERATIONS	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	168.0 168.0
20	Unclassified salaries-6.0 FTE positions	\$ 895,900 \$ 895,900
21	Complaint investigation and enforcement-112.0 FTE	
22	positions	18,804,800 18,804,800
23	Disability rights and compliance-11.0 FTE positions ..	1,729,000 1,729,000
24	Division on deaf, deafblind, and hard of hearing-6.0	
25	FTE positions	773,100 773,100
26	Executive office-25.0 FTE positions	3,330,300 3,330,300
27	Public affairs-14.0 FTE positions	<u>2,354,000</u> <u>2,354,000</u>
28	GROSS APPROPRIATION	\$ 27,887,100 \$ 27,887,100
29	Appropriated from:	
30	Federal revenues:	
31	Other federal revenues	3,420,200 3,420,200
32	Special revenue funds:	

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Private revenues	18,700	18,700
2 Other state restricted revenues	58,500	58,500
3 State general fund/general purpose	\$ 24,389,700	\$ 24,389,700
4 Sec. 3-103. INFORMATION TECHNOLOGY		
5 Information technology services and projects	\$ <u>1,557,200</u>	\$ <u>1,557,200</u>
6 GROSS APPROPRIATION	\$ 1,557,200	\$ 1,557,200
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	15,000	15,000
10 Special revenue funds:		
11 State general fund/general purpose	\$ 1,542,200	\$ 1,542,200

1 PART 2

2 PROVISIONS CONCERNING APPROPRIATIONS

3 FISCAL YEAR 2027

4
5 **GENERAL SECTIONS**

6 Sec. 3-201. Pursuant to section 30 of article IX of the state constitution of 1963,
7 total state spending from state sources under part 1 for the fiscal year ending September
8 30,2027 is \$25,990,400.00 and state spending from state sources to be paid to local units
9 of government for fiscal year 2027 is \$0.00.

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

12 Sec. 3-203. As used in this part and part 1:

13 (a) "Department" means the department of civil rights.

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

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

16 (d) "IDG" means interdepartmental grant.

17 Sec. 3-204. A department or agency shall use the internet to fulfill the reporting
18 requirements of this part and shall make each report readily accessible to the public and
19 conspicuously post each required report in a single archivable location on the department's
20 or agency's Michigan.gov website not later than the due date required for each report. In
21 addition to placing all reports required in the current fiscal year on the department's or
22 agency's website, the department or agency shall maintain on its website all reports placed
23 on the website from previous fiscal years posted by fiscal year in the same single
24 archivable location. The department or agency shall also transmit all required reports for
25 the current fiscal year to the standard recipients and any other required recipients by
26 email.

27 Sec. 3-205. 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. 3-206. (1) The department shall maximize utilization of its in-person state
7 workforce. The department shall prioritize occupancy utilization of office space for each
8 division within the department. Employees with job responsibilities that require the
9 employees to serve in their capacities outside of an office shall be monitored each pay
10 period to ensure all work hours reported on the timesheet were actually worked.

11 (2) The department shall comply with requirements set forth by the office of the
12 state employer on in-person work and utilization and occupancy rates of state buildings to
13 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
14 market conditions.

15 (3) The department shall adhere to civil service rules and regulations that state the
16 standard biweekly work period for a full-time employee in the classified service of this
17 state is the equivalent of 80.0 hours of work. The department shall establish policies and
18 processes to ensure all employees are working their jobs during agreed upon business hours.

19 Sec. 3-207. Consistent with section 217 of the management and budget act, 1984 PA
20 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
21 prepare a report on out of state travel expenses not later than January 1. The report must
22 list all travel by classified and unclassified employees outside this state in the previous
23 fiscal year that was funded in whole or in part with funds appropriated in the department's
24 or agency's budget. The department or agency shall submit the report to the standard report
25 recipients and to the house and senate appropriations committees. The report must include
26 all of the following information:

27 (a) The dates of each travel occurrence.

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

31 Sec. 3-208. Not later than 6 months after the state budget office issues work project
32 letters, a department, agency and the legislature shall submit an annual report that

1 summarizes all work project accounts. The report must include all of the following:

2 (a) A list of all work project accounts.

3 (b) The status of all work project accounts, including amounts expended, amounts
4 encumbered, and available balances for each account.

5 (c) The amount of funds that lapsed from any previously designated work project
6 accounts, the name and description of the work project account, and the funds that received
7 the lapsed amounts.

8 Sec. 3-209. Not later than December 15, the state budget office shall prepare and
9 submit a report that provides for estimates of the total general fund/general purpose
10 appropriation lapses at the close of the previous fiscal year. The report must summarize
11 the projected year-end general fund/general purpose appropriation lapses by major
12 departmental program or program areas. The state budget office shall submit the report to
13 the standard report recipients and the chairpersons of the senate and house appropriations
14 committees.

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

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

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

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

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

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

31 Sec. 3-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a
32 marginalized community's access to government resources, programs, or facilities.

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

3 Sec. 3-213. To the extent permissible under the management and budget act, 1984 PA
4 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
5 appropriations in part 1 shall take all reasonable steps to ensure geographically
6 disadvantaged business enterprises compete for and perform contracts to provide services or
7 supplies, or both. Each director shall strongly encourage firms with which the department
8 or agency contracts to subcontract with certified geographically disadvantaged business
9 enterprises for services, supplies, or both. As used in this section, "geographically
10 disadvantaged business enterprises" means that term as defined in Executive Directive No.
11 2023-1.

12 Sec. 3-214. The department must provide an annual report to the standard report
13 recipients detailing significant federal policy changes that do, or are expected to
14 significantly impact the operations of the department, including reductions in federal
15 revenue and/or changes that are likely to lead to a reduction in the department's ability
16 to safeguard the health or welfare of the public.

17 Sec. 3-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
18 agencies shall provide to the state budget office a jointly agreed upon list of
19 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
20 of 2025. The list must include all information and documents pertaining to the funded items
21 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

22 (2) In accordance with section 364(4) of the Management and Budget Act, the
23 department or agency administering the grant shall post a report in a publicly accessible
24 location on its website beginning March 15 of the current fiscal year. The department or
25 agency shall update the report and shall post an updated report not later than June 15 of
26 the current fiscal year and again not later than September 15 of the current fiscal year.
27 The department shall include in the report the most comprehensive information the
28 department has available at the time of posting for grants awarded.

29 Sec. 3-216. 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. 3-217. The state budget director shall take steps to ensure that all state
4 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
5 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
6 recovery funds that would otherwise lapse after September 30, 2026, are automatically
7 reappropriated for the same purpose as originally authorized and available for expenditure
8 through December 31, 2026, and any subsequent financial close out period.

9 Sec. 3-218. (1) The state budget director shall take steps to ensure that all state
10 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
11 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
12 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
13 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
14 that may include, but are not limited to, completed projects coming in under budget or
15 funds unable to be fully used by subrecipients. The state budget director shall reallocate
16 any of the funds reallocated under this subsection to the programs or purposes specified in
17 this section. Any funds reallocated are unappropriated and immediately reappropriated for
18 the following purposes:

19 (a) To reclassify general fund/general purpose appropriations for payroll and covered
20 benefits for eligible public health and safety employees at the department of corrections.

21 (b) To reclassify general fund/general purpose appropriations for payroll and covered
22 benefits for eligible public health and safety employees at the department of state police.

23 (2) All applicable guidance, implementation, and reporting provisions of Public Law
24 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
25 subsection (1).

26 (3) The state budget director shall notify the senate and house appropriations
27 committees not later than 10 business days after making any reallocations under subsection
28 (1). The notification must include the authorized program under which funds were originally
29 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
30 department to which the funds are being reallocated under subsection (1), and the amount
31 reallocated to each program or purpose.

32

1 **CIVIL RIGHTS OPERATIONS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 (f) The number of FTE positions filled from the FTE authorization for complaint
5 investigations and enforcement.

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

7 (h) The quotient of the number of certified cases completed divided by the number of
8 filled FTE positions.

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

10 Sec. 3-405. On submitting a report or complaint to the United States Commission on
11 Civil Rights or any other federal department, the department of civil rights shall submit a
12 copy of the report or complaint to the standard report recipients not later than the next
13 business day.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	DEPARTMENT OF CORRECTIONS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	16.0 16.0
4	Full-time equated classified positions.....	12,758.0 12,758.0
5	GROSS APPROPRIATION	\$ 2,198,138,100 \$ 2,198,138,100
6	Total interdepartmental grants and intradepartmental	
7	transfers	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 2,198,138,100 \$ 2,198,138,100
9	Total federal revenues	5,222,600 5,222,600
10	Total local revenues	275,000 275,000
11	Total private revenues	0 0
12	Total other state restricted revenues	30,559,800 30,559,800
13	State general fund/general purpose	\$ 2,162,080,700 \$ 2,162,080,700
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>2,162,080,700 2,162,080,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 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.....	414.0 414.0
20	Unclassified salaries-16.0 FTE positions	\$ 2,433,800 \$ 2,433,800
21	Administrative hearings officers	4,229,600 4,229,600
22	Budget and operations administration-317.0 FTE	
23	positions	46,106,500 46,106,500
24	Compensatory buyout and union leave bank	100 100
25	County jail reimbursement program	14,564,600 14,564,600
26	Employee wellness programming-9.0 FTE positions	2,593,300 2,593,300
27	Equipment and special maintenance	1,559,700 1,559,700
28	Executive direction-28.0 FTE positions	5,586,700 5,586,700
29	Judicial data warehouse user fees	50,600 50,600
30	New custody staff training	24,677,100 24,677,100
31	Prison industries operations-60.0 FTE positions	10,449,400 10,449,400
32	Property management	2,638,000 2,638,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Prosecutorial and detainer expenses	2,551,000	2,551,000
2	Worker's compensation	<u>8,584,100</u>	<u>8,584,100</u>
3	GROSS APPROPRIATION	\$ 126,024,500	\$ 126,024,500
4	Appropriated from:		
5	Federal revenues:		
6	Other federal revenues	674,700	674,700
7	Special revenue funds:		
8	Other state restricted revenues	17,071,000	17,071,000
9	State general fund/general purpose	\$ 108,278,800	\$ 108,278,800
10	Sec. 4-103. OFFENDER SUCCESS ADMINISTRATION		
11	Full-time equated classified positions.....	330.9	330.9
12	Community corrections comprehensive plans and services	\$ 15,198,100	\$ 15,198,100
13	Community residential services	13,575,500	13,575,500
14	Criminal justice reinvestment	1,448,400	1,448,400
15	Education/skilled trades/career readiness programs-249.9		
16	FTE positions	39,917,800	39,917,800
17	Enhanced food technology program-11.0 FTE positions ..	1,614,700	1,614,700
18	Higher education in prison	1,250,000	1,250,000
19	Offender success community partners	18,925,000	18,925,000
20	Offender success federal grants	751,000	751,000
21	Offender success programming	15,742,200	15,742,200
22	Offender success services-70.0 FTE positions	<u>16,074,500</u>	<u>16,074,500</u>
23	GROSS APPROPRIATION	\$ 124,497,200	\$ 124,497,200
24	Appropriated from:		
25	Federal revenues:		
26	Other federal revenues	2,394,800	2,394,800
27	Special revenue funds:		
28	State general fund/general purpose	\$ 122,102,400	\$ 122,102,400
29	Sec. 4-104. FIELD OPERATIONS ADMINISTRATION		
30	Full-time equated classified positions.....	1,701.5	1,701.5
31	Field operations-1,670.5 FTE positions	\$ 233,379,000	\$ 233,379,000
32	Parole board operations-31.0 FTE positions	3,999,100	3,999,100

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Parole/probation services	940,000	940,000
2 GROSS APPROPRIATION	\$ 238,318,100	\$ 238,318,100
3 Appropriated from:		
4 Special revenue funds:		
5 Local revenues	275,000	275,000
6 Other state restricted revenues	7,580,500	7,580,500
7 State general fund/general purpose	\$ 230,462,600	\$ 230,462,600
8 Sec. 4-105. CORRECTIONAL FACILITIES ADMINISTRATION		
9 Full-time equated classified positions.....	678.0	678.0
10 Body-worn cameras-8.0 FTE positions	\$ 3,848,700	\$ 3,848,700
11 Central records-43.0 FTE positions	5,010,200	5,010,200
12 Contraband prevention	2,750,000	2,750,000
13 Correctional facilities administration-37.0 FTE		
14 positions	7,089,300	7,089,300
15 Housing inmates in federal institutions	511,000	511,000
16 Inmate housing fund	100	100
17 Inmate legal services	290,900	290,900
18 Intelligence unit-30.0 FTE positions	4,135,000	4,135,000
19 Leased beds and alternatives to leased beds	100	100
20 Prison food service-324.0 FTE positions	79,029,100	79,029,100
21 Prison store operations-32.0 FTE positions	3,745,300	3,745,300
22 Transportation-204.0 FTE positions	36,578,600	36,578,600
23 GROSS APPROPRIATION	\$ 142,988,300	\$ 142,988,300
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	683,000	683,000
27 Special revenue funds:		
28 Other state restricted revenues	4,647,200	4,647,200
29 State general fund/general purpose	\$ 137,658,100	\$ 137,658,100
30 Sec. 4-106. HEALTH CARE		
31 Full-time equated classified positions.....	1,475.3	1,475.3
32 Clinical complexes-1,000.8 FTE positions	\$ 183,630,400	\$ 183,630,400

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Health care administration-18.0 FTE positions	3,805,400	3,805,400
2 Healthy Michigan plan administration-12.0 FTE		
3 positions	1,085,000	1,085,000
4 Hepatitis C treatment	7,499,100	7,499,100
5 Interdepartmental grant to health and human services,		
6 eligibility specialists	120,200	120,200
7 Mental health and substance use disorder treatment		
8 services-444.5 FTE positions	68,887,100	68,887,100
9 Prisoner health care services	117,540,700	117,540,700
10 Vaccination program	<u>691,200</u>	<u>691,200</u>
11 GROSS APPROPRIATION	\$ 383,259,100	\$ 383,259,100
12 Appropriated from:		
13 Federal revenues:		
14 Other federal revenues	435,300	435,300
15 Special revenue funds:		
16 Other state restricted revenues	257,200	257,200
17 State general fund/general purpose	<u>\$ 382,566,600</u>	<u>\$ 382,566,600</u>
18 Sec. 4-107. CORRECTIONAL FACILITIES		
19 Full-time equated classified positions.....	8,158.3	8,158.3
20 Alger Correctional Facility - Munising-259.0 FTE		
21 positions	<u>\$ 33,528,200</u>	<u>\$ 33,528,200</u>
22 Baraga Correctional Facility - Baraga-279.8 FTE		
23 positions	38,236,100	38,236,100
24 Bellamy Creek Correctional Facility - Ionia-414.1 FTE		
25 positions	55,641,900	55,641,900
26 Carson City Correctional Facility - Carson City-422.4		
27 FTE positions	56,476,100	56,476,100
28 Central Michigan Correctional Facility - St. Louis-385.0		
29 FTE positions	54,679,200	54,679,200
30 Charles E. Egeler Correctional Facility - Jackson-374.6		
31 FTE positions	53,956,200	53,956,200
32 Chippewa Correctional Facility - Kincheloe-443.6		

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	FTE positions	59,958,900	59,958,900
2	Cooper Street Correctional Facility - Jackson-254.6		
3	FTE positions	31,790,000	31,790,000
4	Earnest C. Brooks Correctional Facility - Muskegon-248.2		
5	FTE positions	35,936,700	35,936,700
6	G. Robert Cotton Correctional Facility - Jackson-375.0		
7	FTE positions	48,423,000	48,423,000
8	Gus Harrison Correctional Facility - Adrian-285.4		
9	FTE positions	42,600,300	42,600,300
10	Ionia Correctional Facility - Ionia-286.3		
11	FTE positions	40,863,000	40,863,000
12	Kinross Correctional Facility - Kincheloe-222.0		
13	FTE positions	34,490,400	34,490,400
14	Lakeland Correctional Facility - Coldwater-272.4		
15	FTE positions	39,046,400	39,046,400
16	Macomb Correctional Facility - New Haven-313.3		
17	FTE positions	44,158,600	44,158,600
18	Marquette Branch Prison - Marquette-319.7		
19	FTE positions	40,496,800	40,496,800
20	Muskegon Correctional Facility - Muskegon-217.3		
21	FTE positions	32,505,200	32,505,200
22	Newberry Correctional Facility - Newberry-200.1		
23	FTE positions	28,962,700	28,962,700
24	Oaks Correctional Facility - Eastlake-289.4		
25	FTE positions	41,656,100	41,656,100
26	Parnall Correctional Facility - Jackson-262.5		
27	FTE positions	34,569,800	34,569,800
28	Richard A. Handlon Correctional Facility - Ionia-268.3		
29	FTE positions	37,801,200	37,801,200
30	Saginaw Correctional Facility - Freeland-268.6		
31	FTE positions	39,318,000	39,318,000
32	Special alternative incarceration program - Jackson-26.2		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 FTE positions	3,713,700	3,713,700
2 St. Louis Correctional Facility - St. Louis-302.9		
3 FTE positions	44,779,100	44,779,100
4 Thumb Correctional Facility - Lapeer-295.6		
5 FTE positions	42,332,400	42,332,400
6 Womens Huron Valley Correctional Complex - Ypsilanti-494.8		
7 FTE positions	68,374,300	68,374,300
8 Woodland Correctional Facility - Whitmore Lake-287.2		
9 FTE positions	43,481,600	43,481,600
10 Northern region administration and support-42.0		
11 FTE positions	4,685,400	4,685,400
12 Southern region administration and support-48.0		
13 FTE positions	<u>18,834,700</u>	<u>18,834,700</u>
14 GROSS APPROPRIATION	\$ 1,151,296,000	\$ 1,151,296,000
15 Appropriated from:		
16 Federal revenues:		
17 Other federal revenues	1,034,800	1,034,800
18 Special revenue funds:		
19 Other state restricted revenues	102,100	102,100
20 State general fund/general purpose	\$ 1,150,159,100	\$ 1,150,159,100
21 Sec. 4-108. INFORMATION TECHNOLOGY		
22 Information technology services and projects	\$ <u>31,754,900</u>	\$ <u>31,754,900</u>
23 GROSS APPROPRIATION	\$ 31,754,900	\$ 31,754,900
24 Appropriated from:		
25 Special revenue funds:		
26 Other state restricted revenues	901,800	901,800
27 State general fund/general purpose	\$ 30,853,100	\$ 30,853,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

GENERAL SECTIONS

Sec. 4-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2027 is \$2,192,640,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$122,497,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

County jail reimbursement program.....	\$	14,564,600
Prosecutorial and detainer expenses.....		2,551,000
Community corrections comprehensive plans and services.....		15,198,100
Community residential services.....		13,575,500
Field operations.....		76,607,900
Leased beds and alternatives to leased beds.....		<u>100</u>
TOTAL	\$	122,497,200

Sec. 4-202. 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. 4-203. As used in this part and part 1:

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

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

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

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

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

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

(g) "OCC" means the office of community corrections.

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

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

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

6 (k) "Standard report recipients" means the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal agencies, the senate
8 and house policy offices, the legislative corrections ombudsman, and the state budget
9 office.

10 Sec. 4-204. A department or agency shall use the internet to fulfill the reporting
11 requirements of this part and shall make each report readily accessible to the public and
12 conspicuously post each required report in a single archivable location on the department's
13 or agency's Michigan.gov website not later than the due date required for each report. In
14 addition to placing all reports required in the current fiscal year on the department's or
15 agency's website, the department or agency shall maintain on its website all reports placed
16 on the website from previous fiscal years posted by fiscal year in the same single
17 archivable location. The department or agency shall also transmit all required reports for
18 the current fiscal year to the standard recipients and any other required recipients by
19 email.

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

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

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

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

31 Sec. 4-206. (1) The department shall maximize utilization of its in-person state
32 workforce. The department shall prioritize occupancy utilization of office space for each

1 division within the department. Employees with job responsibilities that require the
2 employees to serve in their capacities outside of an office shall be monitored each pay
3 period to ensure all work hours reported on the timesheet were actually worked.

4 (2) The department shall comply with requirements set forth by the office of the
5 state employer on in-person work and utilization and occupancy rates of state buildings to
6 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
7 market conditions.

8 (3) The department shall adhere to civil service rules and regulations that state the
9 standard biweekly work period for a full-time employee in the classified service of this
10 state is the equivalent of 80.0 hours of work. The department shall establish policies and
11 processes to ensure all employees are working their jobs during agreed upon business hours.

12 Sec. 4-207. 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 and senate appropriations committees. The report must include
19 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. 4-208. Not later than 6 months after the state budget office issues work project
25 letters, a department, agency and the legislature shall submit an annual report that
26 summarizes all work project accounts. The report must include all of the following:

27 (a) A list of all work project accounts.

28 (b) The status of all work project accounts, including amounts expended, amounts
29 encumbered, and available balances for each account.

30 (c) The amount of funds that lapsed from any previously designated work project
31 accounts, the name and description of the work project account, and the funds that received
32 the lapsed amounts.

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

8 Sec. 4-210. (1) In addition to the funds appropriated in part 1, there is
9 appropriated an amount not to exceed \$2,500,000.00 for federal contingency funds. These
10 funds are not available for expenditure until they have been transferred to another line
11 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
12 MCL 18.1393.

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

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

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

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

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

24 Sec. 4-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a
25 marginalized community's access to government resources, programs, or facilities.

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

28 Sec. 4-213. To the extent permissible under the management and budget act, 1984 PA
29 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
30 appropriations in part 1 shall take all reasonable steps to ensure geographically
31 disadvantaged business enterprises compete for and perform contracts to provide services or
32 supplies, or both. Each director shall strongly encourage firms with which the department

1 or agency contracts to subcontract with certified geographically disadvantaged business
2 enterprises for services, supplies, or both. As used in this section, "geographically
3 disadvantaged business enterprises" means that term as defined in Executive Directive No.
4 2023-1.

5 Sec. 4-214. The department must provide an annual report to the standard report
6 recipients detailing significant federal policy changes that do, or are expected to
7 significantly impact the operations of the department, including reductions in federal
8 revenue and/or changes that are likely to lead to a reduction in the department's ability
9 to safeguard the health or welfare of the public.

10 Sec. 4-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
11 agencies shall provide to the state budget office a jointly agreed upon list of
12 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
13 of 2025. The list must include all information and documents pertaining to the funded items
14 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

15 (2) In accordance with section 364(4) of the Management and Budget Act, the
16 department or agency administering the grant shall post a report in a publicly accessible
17 location on its website beginning March 15 of the current fiscal year. The department or
18 agency shall update the report and shall post an updated report not later than June 15 of
19 the current fiscal year and again not later than September 15 of the current fiscal year.
20 The department shall include in the report the most comprehensive information the
21 department has available at the time of posting for grants awarded.

22 Sec. 4-216. On a quarterly basis, a department or agency receiving appropriations in
23 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
24 classification, including comparison by line item of the number of FTEs authorized from
25 funds appropriated in part 1 to the actual number of FTE positions employed by the
26 department or agency at the end of the reporting period. The report must be submitted to
27 the senate and house appropriations committees and to the standard report recipients.

28 Sec. 4-217. The state budget director shall take steps to ensure that all state
29 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
30 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
31 recovery funds that would otherwise lapse after September 30, 2026, are automatically
32 reappropriated for the same purpose as originally authorized and available for expenditure

1 through December 31, 2026, and any subsequent financial close out period.

2 Sec. 4-218. (1) The state budget director shall take steps to ensure that all state
3 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
4 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
5 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
6 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
7 that may include, but are not limited to, completed projects coming in under budget or
8 funds unable to be fully used by subrecipients. The state budget director shall reallocate
9 any of the funds reallocated under this subsection to the programs or purposes specified in
10 this section. Any funds reallocated are unappropriated and immediately reappropriated for
11 the following purposes:

12 (a) To reclassify general fund/general purpose appropriations for payroll and covered
13 benefits for eligible public health and safety employees at the department of corrections.

14 (b) To reclassify general fund/general purpose appropriations for payroll and covered
15 benefits for eligible public health and safety employees at the department of state police.

16 (2) All applicable guidance, implementation, and reporting provisions of Public Law
17 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
18 subsection (1).

19 (3) The state budget director shall notify the senate and house appropriations
20 committees not later than 10 business days after making any reallocations under subsection
21 (1). The notification must include the authorized program under which funds were originally
22 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
23 department to which the funds are being reallocated under subsection (1), and the amount
24 reallocated to each program or purpose.

25

26 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

1 offender tracking information system.

2 Sec. 4-302. From the funds appropriated in part 1, the department shall submit a
3 report not later than March 1 on the departments staff retention strategies. The report
4 must include, but not be limited to, the following:

5 (a) Mechanisms by which the department receives employee feedback how the department
6 considers suggestions made by employees.

7 (b) Steps the department has taken, and future plans and goals the department has for
8 retention.

9 Sec. 4-303. From the funds appropriated in part 1, the department shall submit a
10 report not later than March 1 on the number of employee departures. The report must include
11 all of the following:

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

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

19 (c) A section that shows the distinction between all of the following:

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

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

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

23 (d) A summary of the primary reasons for departure for each of the ranges of years of
24 service described under subdivision (1)(b) based on the available responses.

25 Sec. 4-304. Funds appropriated in part 1 for prosecutorial and detainer expenses must
26 be used to reimburse counties for housing and custody of parole violators and offenders
27 being returned by the department from community placement who are available for return to
28 institutional status and for prisoners who volunteer for placement in a county jail.

29 Sec. 4-305. The department shall provide fiduciary oversight of funds received under
30 the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

31 Sec. 4-306. From the funds appropriated in part 1, the department shall issue a
32 report not later than March 1 for all vendor contracts with a value of \$500,000.00 or more

1 that includes the following:

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

3 (b) The number of available option years.

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

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

8 Sec. 4-307. (1) The department must ensure that a prisoner telephone system is
9 maintained. The prisoner telephone system must meet ongoing operational needs of the
10 department while maintaining the lowest per-minute rate possible. The department must
11 provide notice to the public and standard report recipients of any changes to telephone
12 rates.

13 (2) To the extent that department intelligence operations are funded in Part 1 rather
14 than funds received through the telephone contract, any resulting savings to the state and
15 contract must be passed to phone system users in the negotiated phone call rate.

16 Sec. 4-308. From the funds appropriated in part 1, the department shall provide for
17 the training of all custody staff in effective and safe ways of handling prisoners with
18 mental illness and referring prisoners to mental health treatment programs. Mental health
19 awareness training must be incorporated into the training of new custody staff.

20 Sec. 4-309. From the funds appropriated in part 1, the department shall issue a
21 report for all correctional facilities not later than January 1 that includes all of the
22 following information for each facility:

23 (a) The name, street address, and date of construction.

24 (b) The current maintenance costs.

25 (c) Any maintenance planned.

26 (d) The current utility costs.

27 (e) The expected future capital improvement costs.

28 (f) The current unspent balance of any authorized capital outlay projects, including
29 the original authorized amount.

30 (g) The expected future useful life.

31 Sec. 4-310. From the funds appropriated in part 1, the department shall provide a
32 report on the Michigan state industries program not later than December 1. The report must

1 include, but is not limited to, all of the following information:

2 (a) The locations of the programs.

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

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

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

8 Sec. 4-311. (1) Funds appropriated in part 1 for employee wellness programming must
9 be used for post-traumatic stress outreach, treating mental health issues, peer support
10 programs, and providing mental health programming for all department staff, including
11 former employees.

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

15 Sec. 4-312. (1) From the funds appropriated in part 1 for new custody staff, the
16 department shall work to hire and train new corrections officers to address attrition of
17 corrections officers and to decrease overtime costs. The department shall submit quarterly
18 reports on new employee schools. The reports must include all of the following information
19 for the immediately preceding fiscal quarter, and as much of the information as possible
20 for the current and next fiscal year:

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

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

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

25 (2) Third quarter reports must outline department recruiting strategies.

26 Sec. 4-313. From the funds appropriated in part 1, the department shall submit a
27 quarterly report on the number of overtime hours worked by all custody staff, by facility.
28 The report must include, for each facility, the reasons for overtime hours worked and the
29 average number of overtime hours worked by active employees.

30 Sec. 4-314. From the funds appropriated in part 1, the department may establish
31 agreements and exchange offender data with local, state, and federal agencies, law
32 enforcement, community service and treatment providers, and research partners in order to

1 improve offender success, reduce recidivism risk, and enhance public safety. This data
2 sharing may include, but is not limited to, efforts to support all of the following:

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

5 (b) Establishing assistance program eligibility and participation.

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

8 (d) Providing ongoing cognitive and behavioral treatment programming in the
9 community.

10 (e) Providing substance abuse testing and referrals for counseling services and
11 treatment.

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

14 (g) Determining educational attainment and needs.

15 (h) Establishing accurate offender identification, criminal histories, and monitoring
16 new criminal activity.

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

19 Sec. 4-315. From the funds appropriated in part 1, the department shall submit 3-year
20 and 5-year prison population projection updates not later than April 1, including
21 explanations of the methodology and assumptions used in developing the projection updates.

22 Sec. 4-316. From the funds appropriated in part 1, the department shall provide an
23 annual statistical report for the preceding calendar year not later than June 30 that
24 includes, but is not limited to, the types of information as provided in the 2022
25 statistical report.

26 Sec. 4-317. From the funds appropriated in part 1, the department shall report the
27 reincarceration recidivism rates of offenders based on available data.

28 Sec. 4-318. (1) The department shall administer a county jail reimbursement program
29 from the funds appropriated in part 1 for the purpose of reimbursing counties for housing
30 in jails certain felons who otherwise would have been sentenced to prison.

31 (2) The county jail reimbursement program must be used to reimburse counties for
32 convicted felons in the custody of the sheriff if the conviction was for a crime committed

1 on or after January 1, 1999 and 1 of the following applies:

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

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

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

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

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

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

29 (6) Not later than February 1, the department shall report all of the following
30 information:

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

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

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

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

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

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

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

12 (7) As used in this section:

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

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

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

28 Sec. 4-319. (1) From the funds appropriated in part 1, the department shall provide
29 all of the following information on the offender population in a monthly report:

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

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

1 (c) Electronic monitoring populations.

2 (d) Parole populations.

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

5 (2) From the funds appropriated in part 1, the department shall provide all of the
6 following information on the offender population in a quarterly report:

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

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

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

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

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

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

17 Sec. 4-320. On a quarterly basis, the department shall report on all of the
18 following:

19 (a) A detailed accounting of all correction officer positions at each correctional
20 facility, including positions that are filled and positions that are vacant by facility.

21 (b) A detailed accounting of all vacant positions that are health care related.

22 Sec. 4-321. The department may charge fees and collect revenues in excess of
23 appropriations in part 1 not to exceed the cost of offender services and programming,
24 employee meals, parolee loans, academic/vocational services, custody escorts, compassionate
25 visits, union steward activities, and public works programs and services provided to local
26 units of government or private nonprofit organizations. The revenues and fees collected are
27 appropriated for all expenses associated with these services and activities.

28
29 **OFFENDER SUCCESS ADMINISTRATION**

30 Sec. 4-401. (1) From the funds appropriated in part 1, the department shall provide a
31 report not later than March 1 on offender success expenditures, allocations, and
32 performance. The report must include, but not be limited to, details on prior-year

1 expenditures, including amounts spent on each project funded, itemized by service provided
2 and service provider. Reported performance factors must be reported by region and must
3 include, but not be limited to, all of the following:

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

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

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

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

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

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

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

21 Sec. 4-402. From the funds appropriated in part 1 for offender success services, the
22 department, when reasonably possible, shall strive to do the following:

23 (a) Develop workforce and training opportunities in consultation with employers and
24 state and local workforce agencies.

25 (b) Assist individuals leaving prison with securing employment or training prior to
26 and/or following release.

27 (c) Work with faith-based and secular organizations to provide reentry supports and
28 voluntary programming opportunities.

29 (d) Provide information on accessing mental health care following release and, if
30 appropriate, coordinate referral to community mental health services.

31 Sec. 4-404. Funds awarded for community residential services in part 1 must provide
32 for all of the following:

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

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

3 Sec. 4-405. Allowable uses of community corrections comprehensive plans and services
4 funds must include reimbursing counties for transportation, treatment costs, and housing
5 drunk drivers during a period of assessment for treatment and case planning, in accordance
6 with an approved comprehensive plan. Reimbursements for housing during the assessment
7 process must be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per
8 offender.

9 Sec. 4-406. (1) From the funds appropriated in part 1, the department shall submit
10 the following information for each county and counties consolidated for community
11 corrections comprehensive plans:

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

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

18 (c) Status of the community corrections information system and the jail population
19 information system.

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

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

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

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

29 Sec. 4-407. From the funds appropriated in part 1, the department shall establish and
30 maintain policies and procedures that assist prisoners with obtaining a birth certificate,
31 duplicate Social Security card, if eligible, DD Form 214 or other military documentation,
32 state identification card, and operator's license before parole or discharge.

1 Sec. 4-408. (1) Funds appropriated in part 1 for higher education in prison must be
2 used by the department in collaboration with accredited universities or colleges to provide
3 incarcerated individuals the opportunity to participate in comprehensive bachelor's degree
4 programs at no cost to the incarcerated individual. The funds must be used for eligible
5 expenses including staffing, supplies, and tuition.

6 (2) Universities and colleges that receive funding under this section must report not
7 later than April 1 on all of the following, by correctional facility, for the previous
8 fiscal year:

- 9 (a) Expenditure of funds.
- 10 (b) Number of participants served.
- 11 (c) Enrollments, by race and gender.
- 12 (d) Number of participants who completed the program.

13 Sec. 4-409. From the funds appropriated in part 1 for enhanced food technology
14 program, the department shall maintain a program that provides on-the-job training in
15 prison kitchens that provides prisoners the opportunity to earn food service training
16 credentials recognized by the restaurant industry. The department shall use the funds
17 appropriated in part 1 for enhanced food technology program to collaborate with the
18 Michigan Restaurant and Lodging Association and other restaurant industry stakeholders to
19 provide job placement assistance to individuals on probation or parole.

20 Sec. 4-411. From the funds appropriated in part 1, the department shall report not
21 later than March 1 on academic and vocational programs, including, but not limited to, all
22 of the following:

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

1 lack of a high school equivalency and the reason those prisoners have not obtained a high
2 school equivalency.

3 Sec. 4-413. Funds appropriated in part 1 for criminal justice reinvestment must be
4 used only to fund data collection and evidence-based programs designed to reduce recidivism
5 among probationers, parolees, and prisoners. The department shall report on programs
6 described under this section not later than March 30.

7 Sec. 4-414. Revenues appropriated and collected for program and special equipment
8 funds must be considered state restricted revenue. Funding must be used for prisoner
9 programming, special equipment, and security projects. Not less than 75% of funding must be
10 used for prisoner programming. Unexpended funds remaining at the close of the fiscal year
11 must not lapse to the general fund but must be carried forward and made available for
12 appropriation in subsequent fiscal years.

13 Sec. 4-415. From the funds appropriated in part 1, the department shall report on the
14 department's plans to eliminate programming for prisoners. As used in this section,
15 "programming for prisoners" means a department core program or career and technical
16 education program funded in part 1.

17

18 **FIELD OPERATIONS ADMINISTRATION**

19 Sec. 4-502. From the funds appropriated in part 1, the department shall issue
20 quarterly reports for the previous 4 quarters detailing outcomes of prisoners who have been
21 reviewed for parole. The report must include all of the following:

22 (a) The number of prisoners in each quarter who were reviewed.

23 (b) The number of prisoners who were granted parole.

24 (c) The number of prisoners who were denied parole.

25 (d) The number of parole decisions that were deferred.

26 (e) The distribution of the total number of prisoners reviewed during that quarter
27 grouped by whether the prisoner had been interviewed for the first, second, third, fourth,
28 fifth, sixth, or more than sixth time.

29 (f) The number of paroles granted, denied, or deferred for each of the parole
30 guideline scores of low, average, and high.

31 (g) The reason for denying or deferring parole.

32 Sec. 4-503. From the funds appropriated in part 1, the department shall submit a

1 report not later than March 1 on the medically frail parole process for the previous fiscal
2 year. The report must include, but not be limited to, the following:

3 (a) A de-identified list of incarcerated individuals who were considered for
4 medically frail parole the previous year, including the following:

5 (i) Demographic data, including race or ethnicity, gender, and age.

6 (ii) The controlling offense of the individual.

7 (iii) A categorization of the medical condition that resulted in the individual being
8 considered for medically frail parole.

9 (iv) If the individual was granted medically frail parole or not, and if not, the
10 reason why medically frail parole was denied.

11 (b) The number of individuals who were previously granted medically frail parole that
12 were returned to prison for a new offense or technical violation of parole.

13 (c) The number of individuals who were previously granted medically frail parole that
14 were discharged from further parole supervision.

15

16 **HEALTH CARE**

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

19 (a) Physical and mental health care, pharmaceutical services, and durable medical
20 equipment for prisoners. A report under this section must detail previous fiscal year
21 expenditures itemized by vendor, allocations, status of payments from contractors to
22 vendors, and projected year-end expenditures from accounts. A report under this section
23 must include a breakdown of all payments to the integrated care provider and to other
24 providers itemized by physical health care, mental health care, pharmaceutical services,
25 and durable medical equipment expenditures.

26 (b) Pharmaceutical prescribing practices, including a detailed accounting of
27 expenditures on antipsychotic medications.

28 Sec. 4-602. From the funds appropriated in part 1, the department shall provide
29 prisoners with a brochure that explains the purpose and importance of signing a medical
30 release of information form. The department shall ensure that all prisoners, upon any
31 health care treatment funded from appropriations in part 1, are given the opportunity to
32 sign a medical release of information form designating a family member or other individual

1 to whom the department shall release records and information regarding the prisoner upon
2 the request of the prisoner. The prisoner may elect to withdraw or amend the medical
3 release of information form at any time.

4 Sec. 4-603. From the funds appropriated in part 1, the department shall provide a
5 report not later than April 1 on offsite prisoner health care utilization in the previous
6 fiscal year that includes all of the following:

- 7 (a) The number of inpatient hospital days.
- 8 (b) The number of emergency room visits.
- 9 (c) The number of prisoners receiving inpatient medical care.

10 Sec. 4-604. Funds appropriated in part 1 for Hepatitis C treatment must be used to
11 provide Hepatitis C treatment to the prison population. Not later than February 15, the
12 department shall issue a report for the previous fiscal year that includes all of the
13 following:

- 14 (a) The total amount spent on specialty medication for the treatment of Hepatitis C.
- 15 (b) The number of prisoners who were treated for Hepatitis C.
- 16 (c) The number of prisoners who will require treatment for Hepatitis C, but have not
17 yet received treatment.

18 Sec. 4-606. (1) From the funds appropriated in part 1, the department shall support
19 medication-assisted treatment clinics at designated correctional facilities that allow the
20 department to treat prisoners with opioid and alcohol use disorder while incarcerated. The
21 department shall collaborate with substance use disorder treatment providers and community-
22 based clinics to provide post release assessment and treatment. Funding must be used by the
23 department to support costs of staff, including nurses, qualified mental health
24 professionals, recovery coaches, and corrections officers, and costs of medication and
25 supplies. Participating prisoners must be encouraged to receive 1 injection of nonaddictive
26 medication, if clinically appropriate, before being released from prison into the
27 community.

28 (2) The department shall submit quarterly reports on the operation of medication-
29 assisted treatment clinics. A report under this subsection must include, but not be limited
30 to, all of the following:

- 31 (a) Clinic site locations.
- 32 (b) A listing of medications used in medication-assisted therapies at each clinic

1 site.

2 (c) The number of prisoners prescribed each medication under subdivision (b),
3 including if the medication is an oral or injectable treatment.

4 (d) Total expenditures on clinic medications, including oral and injectable
5 medications.

6 (e) The number of prisoners who received treatment in the community for a duration of
7 at least 3 months.

8 Sec. 4-607. From the funds appropriated in part 1, the department shall submit a
9 report not later than March 1 that includes for the previous fiscal year the total amount
10 of all medical co-payments collected by prisoners under section 67a of the corrections code
11 of 1953, 1953 PA 232, MCL 791.267a.

12 Sec. 4-608. From the funds appropriated in part 1, the department shall submit a
13 biannual report, by not later than March 1 and September 1 of each year, that contains a
14 de-identified list of prisoner deaths that occurred in the previous 6 months within
15 correctional facilities. This report must include, but not be limited to, all of the
16 following:

17 (a) The date of death.

18 (b) The correctional facility or other location at which the death occurred.

19 (c) The official cause of death, as documented on the death certificate.

20 (d) In cases where the cause of death is determined to be a drug overdose, the type
21 of drug used, if known.

22

23 **CORRECTIONAL FACILITIES AND ADMINISTRATION**

24 Sec. 4-701. From the funds appropriated in part 1 for prison food service, the
25 department shall report not later than January 15 on the following:

26 (a) Average per-meal cost for prisoner food service. Per-meal cost includes all costs
27 directly related to the provision of food for the prisoner population, including, but not
28 limited to, actual food costs, total compensation for all food service workers, including
29 benefits and legacy costs, and inspection and compliance costs for food service.

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

32 (c) Major sanitation violations.

1 Sec. 4-702. From the funds appropriated in part 1, the department shall provide a
2 report on the cost per prisoner per day for each security custody level not later than
3 January 15. This cost must include all actual direct and indirect costs for the previous
4 fiscal year. To calculate the cost per prisoner per day, the department shall divide the
5 prisoner-related costs by the total number of prisoner days for each custody level and
6 correctional facility. For multilevel facilities, costs that cannot be accurately allocated
7 to each custody level may be included in the calculation on a per-prisoner basis for each
8 facility. Prisoner-related costs included in the cost per prisoner per day calculation must
9 include all expenditures for the following, from all fund sources:

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

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

31 Sec. 4-705. (1) From the funds appropriated in part 1, the department shall report
32 all of the following regarding critical incidents by facility:

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

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

6 (2) As used in this section, "critical incident" includes a prisoner assault on staff
7 that results in a serious physical injury to staff, an escape or attempted escape, a
8 prisoner disturbance that causes facility operation concerns, the implementation of a phase
9 plan or similar significant restriction on activity within a facility, a drug overdose or
10 suspected overdose that results in inpatient hospitalization, and an unexpected death of a
11 prisoner.

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

14 (a) Corrections officers to prisoners.

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

16 (c) Noncustody institutional staff to prisoners.

17 Sec. 4-707. (1) From the funds appropriated in part 1, the department shall focus on
18 providing core programming interventions to prisoners as early as possible during the
19 prisoner's sentence to impact the prisoner's behavior while incarcerated, and prioritize
20 individuals who are past their earliest release date and have not been paroled because of
21 not having received the required programming. Programming includes, but is not limited to,
22 violence prevention programming, sexual abuse prevention programming, substance use
23 treatment programming, and core cognitive programming. Nothing in this section makes parole
24 denial appealable in court.

25 (2) The department shall submit a quarterly report detailing enrollment in sex abuse
26 prevention programming, violence prevention programming, substance use treatment
27 programming, and core cognitive programming. At a minimum, the report must include all of
28 the following:

29 (a) The current number of individuals who are required to complete one or more of
30 these types of programming, but have not yet done so.

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

1 (c) The number of individuals who have completed one or more of these types of
2 programming during their current term of incarceration.

3 (d) 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) From the funds appropriated in part 1, the department shall report
19 not later than March 1 on the number of prisoners during the previous fiscal year in
20 administrative segregation and, of those, the number who at any time during the current or
21 previous prison term were diagnosed with serious mental illness or have a developmental
22 disorder and the number of days each of the prisoners with serious mental illness or a
23 developmental disorder have been confined to 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: (a)
26 A continuous period exceeding 3 months but less than 6 months.

27 (b) A continuous period exceeding 6 months but less than 12 months. (c) A continuous
28 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. (1) From the funds appropriated in part 1, the department shall report

1 not later than March 1 on the number of prisoners during the previous fiscal year in
2 administrative segregation and, of those, the number who at any time during the current or
3 previous prison term were diagnosed with serious mental illness or have a developmental
4 disorder and the number of days each of the prisoners with serious mental illness or a
5 developmental disorder have been confined to administrative segregation.

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

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

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

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

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

14 Sec. 4-712. From the funds appropriated in part 1, the department shall submit
15 quarterly reports on the number of youth in prison. The report must include, but not be
16 limited to, all of the following information:

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

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

21 (c) The total number of inmates between the ages of 18 and 23 who are on Holmes
22 youthful trainee act status.

23 Sec. 4-713. From the funds appropriated in part 1, the department must submit a
24 report on the number of prisoners who lost visiting privileges. The report required under
25 this section must be submitted not later than November 15 and include data for the previous
26 fiscal year. The report must include all of the following information:

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

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

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

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

32 Sec. 4-714. Funds appropriated in part 1 for intelligence unit must be used by the

1 department to maintain an intelligence unit to conduct investigatory and intelligence
2 operations for the department. Intelligence operations must include, but not be limited to,
3 intelligence operations for prisoner phone services.

4 Sec. 4-715. (1) From the funds appropriated in part 1, the department must submit a
5 preliminary report on the department's plans to close, consolidate, or relocate any
6 correctional facility in the state. The preliminary report must include the projected
7 savings to the state from closure, consolidation, or relocation of the facility and must
8 include a projection of the potential impact on staff positions.

9 (2) After a prison closure, consolidation, or relocation, the department must submit
10 a report by March 1 on the actual savings achieved by the department and the impact on
11 staff positions for the prior fiscal year. Savings amounts and impact on staff positions
12 must be itemized by facility.

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

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

- 25 (a) How to put money into prisoner accounts.
- 26 (b) How to make telephone calls or create Jpay email accounts.
- 27 (c) How to visit in person.
- 28 (d) Proper procedures for filing complaints or grievances.
- 29 (e) The rights of prisoners to physical and mental health care.
- 30 (f) The purpose and importance of prisoners signing a medical release of information
31 form.
- 32 (g) How to utilize the offender tracking information system (OTIS).

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

2 (i) The parole process.

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

4 Sec. 4-718. From the funds appropriated in part 1, the department must pursue all
5 opportunities to reduce costs for prisoners and prisoners' families for financial deposit
6 fees and commissary fees when the department negotiates or renews any contract to provide
7 these services.

8 Sec. 4-719. (1) Funds appropriated in part 1 for contraband prevention must be used
9 by the department to enhance a multifaceted approach to contraband prevention that combines
10 technology, rigorous policies, vigilant staff, intelligence gathering, and a commitment to
11 addressing the root causes of contraband, all of which are necessary for preventing
12 contraband introductions and maintaining safe and secure correctional facilities.

13 (2) Funds appropriated in part 1 for contraband prevention must be used by the
14 department to support the prevention of contraband in correctional facilities, including
15 increasing the frequency and enhancing the methods of screening all individuals, including
16 all department employees, and all items entering into correctional facilities.

17 (3) From the funds appropriated in part 1 for contraband prevention, the department
18 must submit a report not later than March 1 on contraband and prevention efforts in
19 correctional facilities. The report must include, but not be limited to, all of the
20 following:

21 (a) Prevention efforts and strategies utilized by the department.

22 (b) Challenges faced by correctional staff and other staff in addressing contraband.

23 (c) Ideas and recommendations on how the legislature can better assist the department
24 with contraband prevention efforts and strategies.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	DEPARTMENT OF EDUCATION	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	565.5 565.5
5	GROSS APPROPRIATION	\$ 162,193,200 \$ 162,193,200
6	Total interdepartmental grants and intradepartmental	
7	transfers	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 162,193,200 \$ 162,193,200
9	Total federal revenues	84,339,300 84,339,300
10	Total local revenues	5,937,300 5,937,300
11	Total private revenues	2,552,900 2,552,900
12	Total other state restricted revenues	10,293,000 10,293,000
13	State general fund/general purpose	\$ 59,070,700 \$ 59,070,700
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>59,070,700 59,070,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 5-102. STATE BOARD OF EDUCATION/OFFICE OF THE	
18	SUPERINTENDENT	
19	Full-time equated unclassified positions.....	6.0 6.0
20	Full-time equated classified positions.....	11.0 11.0
21	Unclassified salaries-6.0 FTE positions	\$ 1,225,900 \$ 1,225,900
22	Education commission of the states	120,800 120,800
23	State board of education, per diem payments	24,400 24,400
24	State board/superintendent operations-11.0 FTE	
25	positions	<u>2,549,100 2,549,100</u>
26	GROSS APPROPRIATION	\$ 3,920,200 \$ 3,920,200
27	Appropriated from:	
28	Federal revenues:	
29	Other federal revenues	317,800 317,800
30	Special revenue funds:	
31	Private revenues	80,000 80,000
32	Other state restricted revenues	853,000 853,000

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	State general fund/general purpose	\$ 2,669,400	\$ 2,669,400
2	Sec. 5-103. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
3	Full-time equated classified positions.....	44.6	44.6
4	Central support operations-41.6 FTE positions	\$ 6,914,200	\$ 6,914,200
5	Federal and private grants	3,006,200	3,006,200
6	Grant and contract operations-3.0 FTE positions	1,913,000	1,913,000
7	Property management	4,194,800	4,194,800
8	Terminal leave payments	353,300	353,300
9	Training and orientation workshops	150,000	150,000
10	Worker's compensation	<u>10,000</u>	<u>10,000</u>
11	GROSS APPROPRIATION	\$ 16,541,500	\$ 16,541,500
12	Appropriated from:		
13	Federal revenues:		
14	Other federal revenues	7,858,400	7,858,400
15	Special revenue funds:		
16	Private revenues	1,006,200	1,006,200
17	Other state restricted revenues	873,700	873,700
18	State general fund/general purpose	\$ 6,803,200	\$ 6,803,200
19	Sec. 5-104. INFORMATION TECHNOLOGY		
20	Information technology services and projects	<u>5,090,600</u>	<u>5,090,600</u>
21	GROSS APPROPRIATION	\$ 5,090,600	\$ 5,090,600
22	Appropriated from:		
23	Federal revenues:		
24	Other federal revenues	2,651,000	2,651,000
25	Special revenue funds:		
26	Other state restricted revenues	1,040,600	1,040,600
27	State general fund/general purpose	\$ 1,399,000	\$ 1,399,000
28	Sec. 5-105. SPECIAL EDUCATION SERVICES		
29	Full-time equated classified positions.....	47.0	47.0
30	Special education operations-47.0 FTE positions	<u>9,941,100</u>	<u>9,941,100</u>
31	GROSS APPROPRIATION	\$ 9,941,100	\$ 9,941,100
32	Appropriated from:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Federal revenues:		
2	Other federal revenues	9,125,600	9,125,600
3	Special revenue funds:		
4	Private revenues	111,800	111,800
5	Other state restricted revenues	50,000	50,000
6	State general fund/general purpose	\$ 653,700	\$ 653,700
7	Sec. 5-106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
8	Full-time equated classified positions.....	82.0	82.0
9	ASL literacy resource	\$ 500,000	\$ 500,000
10	Camp Tuhsmebeta-1.0 FTE position	1,004,900	1,004,900
11	Low incidence outreach program	1,000,000	1,000,000
12	Michigan schools for the deaf and blind operations-81.0		
13	FTE positions	13,893,400	13,893,400
14	Private gifts - blind	200,000	200,000
15	Private gifts - deaf	<u>150,000</u>	<u>150,000</u>
16	GROSS APPROPRIATION	\$ 16,748,300	\$ 16,748,300
17	Appropriated from:		
18	Federal revenues:		
19	Other federal revenues	7,750,000	7,750,000
20	Special revenue funds:		
21	Local revenues	5,937,300	5,937,300
22	Private revenues	1,354,900	1,354,900
23	Other state restricted revenues	1,206,100	1,206,100
24	State general fund/general purpose	\$ 500,000	\$ 500,000
25	Sec. 5-107. EDUCATOR EXCELLENCE		
26	Full-time equated classified positions.....	46.0	46.0
27	Educator excellence operations-45.0 FTE positions	\$ 10,611,800	\$ 10,611,800
28	Educator recruitment and preparation programs-1.0		
29	FTE position	<u>1,691,100</u>	<u>1,691,100</u>
30	GROSS APPROPRIATION	\$ 12,302,900	\$ 12,302,900
31	Appropriated from:		
32	Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Other federal revenues	3,173,800	3,173,800
2 Special revenue funds:		
3 Other state restricted revenues	4,455,400	4,455,400
4 State general fund/general purpose	\$ 4,673,700	\$ 4,673,700
5 Sec. 5-108. SYSTEMS, EVALUATION, AND TECHNOLOGY		
6 Full-time equated classified positions.....	19.0	19.0
7 Office of systems, evaluation, and technology operations		
8 19.0 FTE positions	\$ <u>3,562,600</u>	\$ <u>3,562,600</u>
9 GROSS APPROPRIATION	\$ 3,562,600	\$ 3,562,600
10 Appropriated from:		
11 Federal revenues:		
12 Other federal revenues	2,335,800	2,335,800
13 Special revenue funds:		
14 Other state restricted revenues	11,500	11,500
15 State general fund/general purpose	\$ 1,215,300	\$ 1,215,300
16 Sec. 5-109. STRATEGIC PLANNING AND IMPLEMENTATION		
17 Full-time equated classified positions.....	6.0	6.0
18 Strategic planning and implementation operations		
19 6.0 FTE positions	\$ <u>1,226,700</u>	\$ <u>1,226,700</u>
20 GROSS APPROPRIATION	\$ 1,226,700	\$ 1,226,700
21 Appropriated from:		
22 Federal revenues:		
23 Other federal revenues	652,900	652,900
24 Special revenue funds:		
25 State general fund/general purpose	\$ 573,800	\$ 573,800
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>1,430,800</u>	\$ <u>1,430,800</u>
29 GROSS APPROPRIATION	\$ 1,430,800	\$ 1,430,800
30 Appropriated from:		
31 Federal revenues:		
32 Other federal revenues	573,200	573,200

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Special revenue funds:	
2	Other state restricted revenues	750,300 750,300
3	State general fund/general purpose	\$ 107,300 \$ 107,300
4	Sec. 5-111. ACCOUNTABILITY SERVICES	
5	Full-time equated classified positions.....	56.6 56.6
6	Accountability services operations-56.6 FTE positions	\$ <u>15,159,100</u> \$ <u>15,159,100</u>
7	GROSS APPROPRIATION	\$ 15,159,100 \$ 15,159,100
8	Appropriated from:	
9	Federal revenues:	
10	Other federal revenues	13,179,900 13,179,900
11	Special revenue funds:	
12	State general fund/general purpose	\$ 1,979,200 \$ 1,979,200
13	Sec. 5-112. SCHOOL SUPPORT SERVICES	
14	Full-time equated classified positions.....	92.6 92.6
15	Adolescent and school health	\$ 338,800 \$ 338,800
16	Office of health and safety-23.0 FTE positions	3,052,100 3,052,100
17	School support services operations-69.6 FTE positions	<u>13,636,300</u> <u>13,636,300</u>
18	GROSS APPROPRIATION	\$ 17,027,200 \$ 17,027,200
19	Appropriated from:	
20	Federal revenues:	
21	Other federal revenues	13,422,700 13,422,700
22	Special revenue funds:	
23	Other state restricted revenues	150,000 150,000
24	State general fund/general purpose	\$ 3,454,500 \$ 3,454,500
25	Sec. 5-113. EDUCATIONAL SUPPORTS	
26	Full-time equated classified positions.....	86.7 86.7
27	Educational supports operations-86.7 FTE positions ...	\$ 18,426,800 \$ 18,426,800
28	School board member training	<u>150,000</u> <u>150,000</u>
29	GROSS APPROPRIATION	\$ 18,576,800 \$ 18,576,800
30	Appropriated from:	
31	Federal revenues:	
32	Other federal revenues	13,411,700 13,411,700

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Special revenue funds:	
2		
3	Other state restricted revenues	602,400 602,400
4	State general fund/general purpose	\$ 4,562,700 \$ 4,562,700
5	Sec. 5-114. CAREER AND TECHNICAL EDUCATION	
6	Full-time equated classified positions.....	23.0 23.0
7	Career and technical education operations-23.0	
8	FTE positions	\$ <u>5,904,900</u> \$ <u>5,904,900</u>
9	GROSS APPROPRIATION	\$ 5,904,900 \$ 5,904,900
10	Appropriated from:	
11	Federal revenues:	
12	Other federal revenues	4,140,100 4,140,100
13	Special revenue funds:	
14	State general fund/general purpose	\$ 1,764,800 \$ 1,764,800
15	Sec. 5-115. LIBRARY OF MICHIGAN	
16	Full-time equated classified positions.....	34.0 34.0
17	Library of Michigan operations-32.0 FTE positions	\$ 5,176,400 \$ 5,176,400
18	Library services and technology program-1.0	
19	FTE position	5,631,900 5,631,900
20	Michigan eLibrary-1.0 FTE position	1,853,400 1,853,400
21	Renaissance zone reimbursements	1,830,000 1,830,000
22	State aid to libraries	<u>16,567,700</u> <u>16,567,700</u>
23	GROSS APPROPRIATION	\$ 31,059,400 \$ 31,059,400
24	Appropriated from:	
25	Federal revenues:	
26	Other federal revenues	5,631,900 5,631,900
27	Special revenue funds:	
28	Other state restricted revenues	300,000 300,000
29	State general fund/general purpose	\$ 25,127,500 \$ 25,127,500
30	Sec. 5-116. PARTNERSHIP DISTRICT SUPPORT	
31	Full-time equated classified positions.....	15.0 15.0
32	Partnership district support operations-15.0 FTE	
33	positions	\$ <u>3,701,100</u> \$ <u>3,701,100</u>

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	GROSS APPROPRIATION	\$ 3,701,100	\$ 3,701,100
2	Appropriated from:		
3	Federal revenues:		
4	Other federal revenues	114,500	114,500
5	Special revenue funds:		
6	State general fund/general purpose	\$ 3,586,600	\$ 3,586,600

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$69,363,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$18,547,700.00. 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.....		1,830,000
State aid to libraries.....		<u>16,567,700</u>
TOTAL	\$	18,547,700

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 part and part 1:

- (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.
- (d) "FTE" means full-time equated.
- (e) "HHS" means the United States Department of Health and Human Services.
- (f) "Standard report recipients" means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 5-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In

1 addition to placing all reports required in the current fiscal year on the department's or
2 agency's website, the department or agency shall maintain on its website all reports placed
3 on the website from previous fiscal years posted by fiscal year in the same single
4 archivable location. The department or agency shall also transmit all required reports for
5 the current fiscal year to the standard recipients and any other required recipients by
6 email.

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

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

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

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

18 Sec. 5-206. (1) The department shall maximize utilization of its in-person state
19 workforce. The department shall prioritize occupancy utilization of office space for each
20 division within the department. Employees with job responsibilities that require the
21 employees to serve in their capacities outside of an office shall be monitored each pay
22 period to ensure all work hours reported on the timesheet were actually worked.

23 (2) The department shall comply with requirements set forth by the office of the
24 state employer on in-person work and utilization and occupancy rates of state buildings to
25 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
26 market conditions.

27 (3) The department shall adhere to civil service rules and regulations that state the
28 standard biweekly work period for a full-time employee in the classified service of this
29 state is the equivalent of 80.0 hours of work. The department shall establish policies and
30 processes to ensure all employees are working their jobs during agreed upon business hours.

31 Sec. 5-207. Consistent with section 217 of the management and budget act, 1984 PA
32 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall

1 prepare a report on out of state travel expenses not later than January 1. The report must
2 list all travel by classified and unclassified employees outside this state in the previous
3 fiscal year that was funded in whole or in part with funds appropriated in the department's
4 or agency's budget. The department or agency shall submit the report to the standard report
5 recipients and to the house and senate appropriations committees. The report must include
6 all of the following information:

7 (a) The dates of each travel occurrence.

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

11 Sec. 5-208. Not later than 6 months after the state budget office issues work project
12 letters, a department, agency and the legislature shall submit an annual report that
13 summarizes all work project accounts. The report must include all of the following:

14 (a) A list of all work project accounts.

15 (b) The status of all work project accounts, including amounts expended, amounts
16 encumbered, and available balances for each account.

17 (c) The amount of funds that lapsed from any previously designated work project
18 accounts, the name and description of the work project account, and the funds that received
19 the lapsed amounts.

20 Sec. 5-209. 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 appropriations
26 committees.

27 Sec. 5-210. (1) In addition to the funds appropriated in part 1, there is
28 appropriated an amount not to exceed \$5,000,000.00 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 \$400,000.00 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 \$250,000.00 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 \$1,500,000.00 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. 5-211. 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 Sec. 5-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a
20 marginalized community's access to government resources, programs, or facilities.

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

23 Sec. 5-213a. To the extent permissible under the management and budget act, 1984 PA
24 431, MCL 18.1101 to 18.1594, the state superintendent of public instruction shall take all
25 reasonable steps to ensure geographically disadvantaged business enterprises compete for
26 and perform contracts to provide services or supplies, or both. The state superintendent of
27 public instruction shall strongly encourage firms with which the department contracts to
28 subcontract with certified geographically disadvantaged business enterprises for services,
29 supplies, or both. As used in this section, "geographically disadvantaged business
30 enterprises" means that term as defined in Executive Directive No. 2023-1.

31 Sec. 5-214. The department must provide an annual report to the standard report
32 recipients detailing significant federal policy changes that do, or are expected to

1 significantly impact the operations of the department, including reductions in federal
2 revenue and/or changes that are likely to lead to a reduction in the department's ability
3 to safeguard the health or welfare of the public.

4 Sec. 5-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
5 agencies shall provide to the state budget office a jointly agreed upon list of
6 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
7 of 2025. The list must include all information and documents pertaining to the funded items
8 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

9 (2) In accordance with section 364(4) of the Management and Budget Act, the
10 department or agency administering the grant shall post a report in a publicly accessible
11 location on its website beginning March 15 of the current fiscal year. The department or
12 agency shall update the report and shall post an updated report not later than June 15 of
13 the current fiscal year and again not later than September 15 of the current fiscal year.
14 The department shall include in the report the most comprehensive information the
15 department has available at the time of posting for grants awarded.

16 Sec. 5-216. 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. 5-217. The state budget director shall take steps to ensure that all state
23 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
24 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
25 recovery funds that would otherwise lapse after September 30, 2026, are automatically
26 reappropriated for the same purpose as originally authorized and available for expenditure
27 through December 31, 2026, and any subsequent financial close out period.

28 Sec. 5-218. (1) The state budget director shall take steps to ensure that all state
29 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
30 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
31 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
32 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons

1 that may include, but are not limited to, completed projects coming in under budget or
2 funds unable to be fully used by subrecipients. The state budget director shall reallocate
3 any of the funds reallocated under this subsection to the programs or purposes specified in
4 this section. Any funds reallocated are unappropriated and immediately reappropriated for
5 the following purposes:

6 (a) To reclassify general fund/general purpose appropriations for payroll and covered
7 benefits for eligible public health and safety employees at the department of corrections.

8 (b) To reclassify general fund/general purpose appropriations for payroll and covered
9 benefits for eligible public health and safety employees at the department of state police.

10 (2) All applicable guidance, implementation, and reporting provisions of Public Law
11 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
12 subsection (1).

13 (3) The state budget director shall notify the senate and house appropriations
14 committees not later than 10 business days after making any reallocations under subsection
15 (1). The notification must include the authorized program under which funds were originally
16 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
17 department to which the funds are being reallocated under subsection (1), and the amount
18 reallocated to each program or purpose.

19

20 **DEPARTMENT-SPECIFIC GENERAL SECTIONS**

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

26 Sec. 5-302. From the funds appropriated in part 1, the department may assist DHHS,
27 other departments, intermediate school districts, and local school districts to secure
28 reimbursement for eligible services provided in Michigan schools from the federal Medicaid
29 program. The department may submit reports of direct expenses related to this effort to
30 DHHS for reimbursement.

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

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

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

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

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

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

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

17 (a) Using trauma-informed practices.

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

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

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

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

28

29 **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

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

1 state board. The per diem payments are set at the following rates:

2 (a) State board of education - president - \$110.00 per day.

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

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

6

7 **SPECIAL EDUCATION SERVICES**

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

11 (a) Federal and state mandates regarding the rights and protections of students with
12 disabilities, including, but not limited to, individualized education programs to ensure
13 that parents and legal guardians are fully informed about laws, rules, procedural
14 safeguards, and problem-solving options.

15 (b) Any other information the department determines is necessary to allow parents and
16 legal guardians to provide meaningful input in collaboration with districts to develop and
17 implement an individualized education program.

18

19 **MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

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

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

27 Sec. 5-456. (1) From the funds appropriated in part 1, the Michigan Schools for the
28 Deaf and Blind may promote its residential program as a possible appropriate option for
29 children who are deaf or hard of hearing or who are blind or visually impaired. From the
30 funds appropriated in part 1, the Michigan Schools for the Deaf and Blind shall distribute
31 information detailing its services to all intermediate school districts in this state.

32 (2) If an intermediate school district knows that a child in the district is deaf or

1 hard of hearing or blind or visually impaired, the intermediate school district shall
2 provide to the parents of the child the literature distributed by the Michigan Schools for
3 the Deaf and Blind to intermediate school districts under subsection (1).

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

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

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

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

16 (a) Document reproduction and services.

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

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

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

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

27

28 **EDUCATOR EXCELLENCE**

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

32 Sec. 5-503. From the funds appropriated in part 1, the department shall, if requested

1 by the Michigan Virtual Learning Research Institute, consult with the Michigan Virtual
2 Learning Research Institute and external stakeholders in connection with the department's
3 implementation and administration of professional development training described in section
4 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
5 limited to, the online training of educators of pupils in grades K to 3 described in that
6 section.

7 Sec. 5-504. From the funds appropriated in part 1 for educator recruitment and
8 preparation programs, the department shall award \$1,000,000.00 to districts for both of the
9 following:

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

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

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

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

22 Sec. 5-507. From the funds appropriated in part 1, the department shall adopt a
23 teacher certification test that ensures that all newly certified elementary teachers have
24 the skills to deliver evidence-based literacy instruction grounded in the science of
25 reading. The department may use teacher certification or teacher testing fee revenue to the
26 extent allowable under law to implement this section, or may pass along increased testing
27 fees to teachers as allowable and appropriate.

28

29 **SCHOOL SUPPORT SERVICES**

30 Sec. 5-601. From the funds appropriated in part 1 for adolescent and school health,
31 the department shall use the funds to replace federal funding reductions from the HHS -
32 Centers for Disease Control and Prevention to the department and section 39a(2) (a) of the

1 state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

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

6 (a) Conflicts of interest, including, but not limited to, the application of section
7 1203 of the revised school code, 1976 PA 451, MCL 380.1203.

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

11 (c) Education law, including, but not limited to, the revised school code, 1976 PA
12 451, MCL 380.1 to 380.1852, the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to
13 388.1896, the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and 1937 (Ex Sess) PA
14 4, MCL 38.71 to 38.191, dealing with teacher tenure.

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

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

19 (f) Implicit bias training.

20 (g) Rater reliability training.

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

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

29 (4) As used in this section:

30 (a) "Eligible training program" means a training program that is approved under
31 subsection (1).

32 (b) "School board member" means a member of the board of a school district or

1 intermediate school district or a member of the board of directors of a public school
2 academy in this state.

3 Sec. 5-604. (1) From the funds appropriated in part 1, not less than \$159,500.00 and
4 not fewer than 1.0 FTE position shall provide technical assistance to all eligible
5 districts to make them effective at using Medicaid dollars for mental health.

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

9

10 **EDUCATIONAL SUPPORTS**

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

15

16 **CAREER AND TECHNICAL EDUCATION**

17 Sec. 5-750. From the funds appropriated in part 1 for career and technical education
18 operations, the department shall develop and implement a reporting mechanism for school
19 districts to report on career and technical education participation and workforce
20 development participation. The department shall prepare and submit a report to the standard
21 report recipients detailing all of the following:

22 (a) The number of students participating in career and technical education programs.

23 (b) The number of students in the graduating class of the current school year that
24 took at least 1 career and technical education course while in high school.

25 (c) The number of students in the graduating class of the previous school year that
26 enrolled in a postsecondary workforce development program in the current school year.

27

28 **LIBRARY OF MICHIGAN**

29 Sec. 5-801. (1) The funds appropriated in part 1 for library fees are appropriated
30 from money collected by the library of Michigan for providing qualified services and may be
31 used for any expenses necessary to provide the qualified services. Any money that is
32 unexpended at the end of the current fiscal year does not lapse to the general fund and may

1 be carried forward into the succeeding fiscal year.

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

3 (a) Document reproduction and services.

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

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

6 Sec. 5-804. (1) The department shall use the funds appropriated in part 1 for
7 renaissance zone reimbursements to reimburse public libraries under section 12 of the
8 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2026. The
9 department shall allocate the funds not later than 60 days after the department of treasury
10 certifies to the department and to the state budget director that the department of
11 treasury has received all necessary information to properly determine the amounts due to
12 each eligible recipient.

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

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

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.....	1,631.0	1,631.0
5	GROSS APPROPRIATION	\$ 965,795,000	\$ 963,795,000
6	Total interdepartmental grants and intradepartmental		
7	transfers	4,237,600	4,237,600
8	ADJUSTED GROSS APPROPRIATION	\$ 961,557,400	\$ 959,557,400
9	Total federal revenues	464,743,400	464,743,400
10	Total local revenues	0	0
11	Total private revenues	1,892,500	1,892,500
12	Total other state restricted revenues	386,083,300	386,083,300
13	State general fund/general purpose	\$ 108,838,200	\$ 106,838,200
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>106,838,200</i>	<i>106,838,200</i>
16	<i>One-time state general fund/general purpose</i>	<i>2,000,000</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	\$ 1,022,500	\$ 1,022,500
21	Accounting service center	1,596,800	1,596,800
22	Administrative hearings officers	906,600	906,600
23	Environmental investigations-12.0 FTE positions	2,507,700	2,507,700
24	Environmental support-56.0 FTE positions	10,072,500	10,072,500
25	Executive direction-20.0 FTE positions	4,506,400	4,506,400
26	Facilities management	1,200,000	1,200,000
27	Financial support-18.0 FTE positions	12,928,600	12,928,600
28	Michigan geological survey	400,000	400,000
29	Property management	<u>11,658,700</u>	<u>11,658,700</u>
30	GROSS APPROPRIATION	\$ 46,799,800	\$ 46,799,800

31 Appropriated from:

32 Interdepartmental grant revenues:

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	IDG from department of state police	91,300	91,300
2	IDG from department of transportation	139,300	139,300
3	Federal revenues:		
4	Other federal revenues	766,600	766,600
5	Special revenue funds:		
6	Private revenues	1,200,000	1,200,000
7	Other state restricted revenues	33,451,400	33,451,400
8	State general fund/general purpose	\$ 11,151,200	\$ 11,151,200
9	Sec. 6-103. WATER RESOURCES DIVISION		
10	Full-time equated classified positions.....	403.0	403.0
11	Aquatic nuisance control program-6.0 FTE positions ...	\$ 1,009,600	\$ 1,009,600
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 .	11,319,500	11,319,500
15	Nonpoint source pollution prevention and control project		
16	program.....	4,083,300	4,083,300
17	Technology advancements for water monitoring	500,000	500,000
18	Water quality programs-223.0 FTE positions	39,131,300	39,131,300
19	Water quality protection grants	100,000	100,000
20	Water resource programs-165.0 FTE positions	33,870,100	33,870,100
21	Watershed council grants	<u>600,000</u>	<u>600,000</u>
22	GROSS APPROPRIATION	\$ 91,513,700	\$ 91,513,700
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from department of transportation	2,086,300	2,086,300
26	Federal revenues:		
27	Other federal revenues	35,360,900	35,360,900
28	Special revenue funds:		
29	Other state restricted revenues	24,722,900	24,722,900
30	State general fund/general purpose	\$ 29,343,600	\$ 29,343,600
31	Sec. 6-104. AIR QUALITY DIVISION		
32	Full-time equated classified positions.....	225.0	225.0

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Air quality programs-225.0 FTE positions	\$ 39,223,600	\$ 39,223,600
2 GROSS APPROPRIATION	\$ 39,223,600	\$ 39,223,600
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	7,855,500	7,855,500
6 Special revenue funds:		
7 Other state restricted revenues	16,096,900	16,096,900
8 State general fund/general purpose	\$ 15,271,200	\$ 15,271,200
9 Sec. 6-105. REMEDIATION AND REDEVELOPMENT DIVISION		
10 Full-time equated classified positions.....	329.0	329.0
11 Contaminated site remediation and redevelopment programs		
12 329.0 FTE positions	\$ 86,837,700	\$ 86,837,700
13 Emergency cleanup actions	2,000,000	2,000,000
14 Environmental cleanup and redevelopment program	44,800,000	44,800,000
15 Superfund cleanup	<u>9,000,000</u>	<u>9,000,000</u>
16 GROSS APPROPRIATION	\$ 142,637,700	\$ 142,637,700
17 Appropriated from:		
18 Federal revenues:		
19 Other federal revenues	16,769,200	16,769,200
20 Special revenue funds:		
21 Other state restricted revenues	125,573,900	125,573,900
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>32,156,600</u>	<u>32,156,600</u>
27 GROSS APPROPRIATION	\$ 32,156,600	\$ 32,156,600
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	32,156,600	32,156,600
31 State general fund/general purpose	\$ 0	\$ 0
32 Sec. 6-107. RENEWING MICHIGAN'S ENVIRONMENT		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Full-time equated classified positions.....	163.0	163.0
2 Information management-22.0 FTE positions	\$ 6,884,200	\$ 6,884,200
3 Renew Michigan program-141.0 FTE positions	<u>81,982,300</u>	<u>81,982,300</u>
4 GROSS APPROPRIATION	\$ 88,866,500	\$ 88,866,500
5 Appropriated from:		
6 Interdepartmental grant revenues:		
7 IDG from department of state police	8,800	8,800
8 IDG from department of transportation	13,600	13,600
9 Federal revenues:		
10 Other federal revenues	5,800	5,800
11 Special revenue funds:		
12 Other state restricted revenues	83,509,100	83,509,100
13 State general fund/general purpose	\$ 5,329,200	\$ 5,329,200
14 Sec. 6-108. INFORMATION TECHNOLOGY		
15 Information technology services and projects	<u>\$ 10,527,400</u>	<u>\$ 10,527,400</u>
16 GROSS APPROPRIATION	\$ 10,527,400	\$ 10,527,400
17 Appropriated from:		
18 Interdepartmental grant revenues:		
19 IDG from department of state police	24,800	24,800
20 IDG from department of transportation	38,000	38,000
21 Federal revenues:		
22 Other federal revenues	2,079,300	2,079,300
23 Special revenue funds:		
24 Other state restricted revenues	6,017,900	6,017,900
25 State general fund/general purpose	\$ 2,367,400	\$ 2,367,400
26 Sec. 6-109. DRINKING WATER AND ENVIRONMENTAL HEALTH		
27 Full-time equated classified positions.....	160.0	160.0
28 Drinking water and environmental health-160.0		
29 FTE positions	<u>\$ 42,393,900</u>	<u>\$ 42,393,900</u>
30 GROSS APPROPRIATION	\$ 42,393,900	\$ 42,393,900
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Other federal revenues	13,804,000	13,804,000
2 Special revenue funds:		
3 Other state restricted revenues	9,645,600	9,645,600
4 State general fund/general purpose	\$ 18,944,300	\$ 18,944,300
5 Sec. 6-110. MATERIALS MANAGEMENT DIVISION		
6 Full-time equated classified positions.....	133.0	133.0
7 Energy programs-13.0 FTE positions	\$ 6,316,300	\$ 6,316,300
8 Material management programs-120.0 FTE positions	<u>34,782,300</u>	<u>34,782,300</u>
9 GROSS APPROPRIATION	\$ 41,098,600	\$ 41,098,600
10 Appropriated from:		
11 Interdepartmental grant revenues:		
12 IDG from department of state police	1,611,700	1,611,700
13 Federal revenues:		
14 Other federal revenues	7,390,400	7,390,400
15 Special revenue funds:		
16 Private revenues	652,500	652,500
17 Other state restricted revenues	30,593,700	30,593,700
18 State general fund/general purpose	\$ 850,300	\$ 850,300
19 Sec. 6-111. GEOLOGICAL RESOURCES MANAGEMENT DIVISION		
20 Full-time equated classified positions.....	73.0	73.0
21 Geologic resources management-73.0 FTE positions	\$ <u>22,171,700</u>	\$ <u>22,171,700</u>
22 GROSS APPROPRIATION	\$ 22,171,700	\$ 22,171,700
23 Appropriated from:		
24 Interdepartmental grant revenues:		
25 IDG from department of licensing and regulatory		
26 affairs.....	223,800	223,800
27 Federal revenues:		
28 Other federal revenues	5,310,600	5,310,600
29 Special revenue funds:		
30 Private revenues	40,000	40,000
31 Other state restricted revenues	8,541,000	8,541,000
32 State general fund/general purpose	\$ 8,056,300	\$ 8,056,300

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Sec. 6-112. WATER INFRASTRUCTURE		
2 Full-time equated classified positions.....	27.0	27.0
3 Municipal assistance-27.0 FTE positions	\$ 6,804,200	\$ 6,804,200
4 Lead service line replacement	9,601,300	9,601,300
5 Water state revolving funds	<u>390,000,000</u>	<u>390,000,000</u>
6 GROSS APPROPRIATION	\$ 406,405,500	\$ 406,405,500
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	375,401,100	375,401,100
10 Special revenue funds:		
11 Other state restricted revenues	15,774,300	15,774,300
12 State general fund/general purpose	\$ 15,230,100	\$ 15,230,100
13 Sec. 6-113. ONE-TIME APPROPRIATIONS		
14 Local infrastructure preparedness and protection		
15 program.....	\$ <u>2,000,000</u>	\$ <u>0</u>
16 GROSS APPROPRIATION	\$ 2,000,000	\$ 0
17 Appropriated from:		
18 Special revenue funds:		
19 State general fund/general purpose	\$ 2,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$494,921,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$20,433,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Technology advancements for water monitoring.....	\$	500,000
Emergency cleanup actions.....		116,000
Drinking water and environmental health.....		8,486,000
Energy programs.....		460,000
Material management programs.....		1,270,000
Lead service line replacement.....		<u>9,601,300</u>
TOTAL	\$	20,433,300

Sec. 6-202. 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. 6-203. As used in this part and part 1:

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

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

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

(d) "IDG" means interdepartmental grant.

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

(f) "Standard report recipients" means the senate appropriations subcommittee on environment, Great Lakes, and energy; the house appropriations subcommittee on environment, Great Lakes, and energy; the senate and house fiscal agencies; the senate and house policy offices; and the state budget office.

Sec. 6-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and

1 conspicuously post each required report in a single archivable location on the department's
2 or agency's Michigan.gov website not later than the due date required for each report. In
3 addition to placing all reports required in the current fiscal year on the department's or
4 agency's website, the department or agency shall maintain on its website all reports placed
5 on the website from previous fiscal years posted by fiscal year in the same single
6 archivable location. The department or agency shall also transmit all required reports for
7 the current fiscal year to the standard recipients and any other required recipients by
8 email.

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

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

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

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

20 Sec. 6-206. (1) The department shall maximize utilization of its in-person state
21 workforce. The department shall prioritize occupancy utilization of office space for each
22 division within the department. Employees with job responsibilities that require the
23 employees to serve in their capacities outside of an office shall be monitored each pay
24 period to ensure all work hours reported on the timesheet were actually worked.

25 (2) The department shall comply with requirements set forth by the office of the
26 state employer on in-person work and utilization and occupancy rates of state buildings to
27 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
28 market conditions.

29 (3) The department shall adhere to civil service rules and regulations that state the
30 standard biweekly work period for a full-time employee in the classified service of this
31 state is the equivalent of 80.0 hours of work. The department shall establish policies and
32 processes to ensure all employees are working their jobs during agreed upon business hours.

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

9 (a) The dates of each travel occurrence.

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

13 Sec. 6-208. Not later than 6 months after the state budget office issues work project
14 letters, a department, agency and the legislature shall submit an annual report that
15 summarizes all work project accounts. The report must include all of the following:

16 (a) A list of all work project accounts.

17 (b) The status of all work project accounts, including amounts expended, amounts
18 encumbered, and available balances for each account.

19 (c) The amount of funds that lapsed from any previously designated work project
20 accounts, the name and description of the work project account, and the funds that received
21 the lapsed amounts.

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 appropriations
28 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 Sec. 6-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a
18 marginalized community's access to government resources, programs, or facilities.

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

21 Sec. 6-213. 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. 6-214. The department must provide an annual report to the standard report
31 recipients detailing significant federal policy changes that do, or are expected to
32 significantly impact the operations of the department, including reductions in federal

1 revenue and/or changes that are likely to lead to a reduction in the department's ability
2 to safeguard the health or welfare of the public.

3 Sec. 6-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
4 agencies shall provide to the state budget office a jointly agreed upon list of
5 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
6 of 2025. The list must include all information and documents pertaining to the funded items
7 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

8 (2) In accordance with section 364(4) of the Management and Budget Act, the
9 department or agency administering the grant shall post a report in a publicly accessible
10 location on its website beginning March 15 of the current fiscal year. The department or
11 agency shall update the report and shall post an updated report not later than June 15 of
12 the current fiscal year and again not later than September 15 of the current fiscal year.
13 The department shall include in the report the most comprehensive information the
14 department has available at the time of posting for grants awarded.

15 Sec. 6-216. On a quarterly basis, a department or agency receiving appropriations in
16 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
17 classification, including comparison by line item of the number of FTEs authorized from
18 funds appropriated in part 1 to the actual number of FTE positions employed by the
19 department or agency at the end of the reporting period. The report must be submitted to
20 the senate and house appropriations committees and to the standard report recipients.

21 Sec. 6-217. The state budget director shall take steps to ensure that all state
22 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
23 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
24 recovery funds that would otherwise lapse after September 30, 2026, are automatically
25 reappropriated for the same purpose as originally authorized and available for expenditure
26 through December 31, 2026, and any subsequent financial close out period.

27 Sec. 6-218. (1) The state budget director shall take steps to ensure that all state
28 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
29 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
30 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
31 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
32 that may include, but are not limited to, completed projects coming in under budget or

1 funds unable to be fully used by subrecipients. The state budget director shall reallocate
2 any of the funds reallocated under this subsection to the programs or purposes specified in
3 this section. Any funds reallocated are unappropriated and immediately reappropriated for
4 the following purposes:

5 (a) To reclassify general fund/general purpose appropriations for payroll and covered
6 benefits for eligible public health and safety employees at the department of corrections.

7 (b) To reclassify general fund/general purpose appropriations for payroll and covered
8 benefits for eligible public health and safety employees at the department of state police.

9 (2) All applicable guidance, implementation, and reporting provisions of Public Law
10 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
11 subsection (1).

12 (3) The state budget director shall notify the senate and house appropriations
13 committees not later than 10 business days after making any reallocations under subsection
14 (1). The notification must include the authorized program under which funds were originally
15 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
16 department to which the funds are being reallocated under subsection (1), and the amount
17 reallocated to each program or purpose.

18 Sec. 6-228. (1) The department may expend amounts remaining from the current and
19 prior fiscal year appropriations to meet funding needs of the environmental cleanup and
20 redevelopment program, environmental cleanup support, contaminated site remediation and
21 redevelopment programs, contaminated site cleanup, contaminated site cleanup contingency
22 reserve, premcors remediation activities, PFAS remediation grant program, the renew Michigan
23 program, the refined petroleum product cleanup program, brownfield grants and loans,
24 waterfront grants, and the environmental bond site reclamation program.

25 (2) Unexpended and unencumbered amounts remaining from appropriations from the clean
26 Michigan initiative fund - response activities contained in 2011 PA 63, 2013 PA 59, 2014 PA
27 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107, and 2025 PA 22 are appropriated for
28 expenditure.

29 (3) Unexpended and unencumbered amounts remaining from appropriations from the
30 refined petroleum fund activities contained in 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA
31 268, 2017 PA 107, 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, 2022 PA 166, 2023 PA
32 119, 2024 PA 121, and 2025 PA 22 are appropriated for expenditure.

1 (4) Unexpended and unencumbered amounts remaining from the appropriations from the
2 strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200,
3 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, and 2018 PA 207, are
4 appropriated for expenditure.

5 (5) For the strategic water quality initiatives fund, funds not yet disbursed are
6 appropriated for expenditure for the same program under sections 5201, 5202, and 5204e of
7 the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201,
8 324.5202, and 324.5204e.

9 (6) Unexpended and unencumbered amounts remaining from the appropriations from the
10 renew Michigan fund contained in 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, 2022 PA
11 166, 2023 PA 119, 2024 PA 121, and 2025 PA 22 are appropriated for expenditure.

12 (7) Unexpended and unencumbered amounts remaining from the appropriations from the
13 contaminated site cleanup contingency fund contained in 2021 PA 87 and 2022 PA 166, are
14 appropriated for expenditure.

15 (8) Unexpended and unencumbered amounts remaining from the appropriations from the
16 cleanup and redevelopment fund contained in 2022 PA 166 2023 PA 119, 2024 PA 121, and 2025
17 PA 22 are appropriated for expenditure.

18 Sec. 6-229. Revenues that remain in the settlements fund at the end of the fiscal
19 year carry forward into the succeeding fiscal year.

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

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

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

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

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

28 (d) The estimated date for project completion.

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

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

32 Sec. 6-238. The department shall submit a report to the senate and house standing

1 committees and appropriations subcommittees with primary responsibility for issues under
2 the jurisdiction of the department that details departmental activities of the most recent
3 fiscal year in administering permitting programs. The report must include, at a minimum,
4 all of the following:

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

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

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

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

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

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

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

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

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

23 Sec. 6-239. Not later than April 1, the department shall provide to the standard
24 report recipients a copy of its annual strategic plan prepared in compliance with section
25 363 of the management and budget act, 1984 PA 431, MCL 18.1363. The plan must include the
26 mission, vision, goals, strategies, and performance measures of the department.

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

31 Sec. 6-251. (1) Federal revenues authorized by and available from the federal
32 government in excess of the appropriations in part 1 are appropriated and may be received

1 and expended by the department for purposes authorized under state law and subject to
2 federal requirements. The total amount of federal revenues that may be received and
3 expended under this section must not exceed \$200,000,000.00.

4 (2) The department shall notify the standard report recipients before expending
5 federal revenues received and appropriated under subsection (1).

6 (3) If additional authorization is approved in SIGMA by the state budget office under
7 this section, the department shall notify the senate and house appropriations subcommittees
8 on Environment, Great Lakes, and Energy and the senate and house fiscal agencies within 10
9 days after the approval. The notification must include the amount and funding source of the
10 additional authorization, the date of its approval, and the projected use of the funds to
11 be expended.

12 Sec. 6-252. Revenues remaining in the asbestos inspection fund created in MCL
13 324.5519a at the end of the fiscal year carry forward into the succeeding fiscal year.

14

15 **REMEDICATION AND REDEVELOPMENT DIVISION**

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

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

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

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

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

29 (d) The tentative completion date is September 30, 2031.

30 Sec. 6-304. (1) In addition to the money appropriated in part 1, the department may
31 receive and expend money from the subaccounts of the cleanup and redevelopment fund as
32 described under section 20108 of the natural resources and environmental protection act,

1 1994 PA 451, MCL 324.20108, including the environmental response fund or the natural
2 resource damages fund, to provide funding for actions by the department that are authorized
3 by a court of competent jurisdiction and set forth in a final court order or judgment in an
4 action to which the department is a party.

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

8

9 **WATER RESOURCES DIVISION**

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

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

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

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

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

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

29

30 **UNDERGROUND STORAGE TANK AUTHORITY**

31 Sec. 6-701. The unexpended funds appropriated in part 1 for the underground storage
32 tank cleanup program are designated as a work project appropriation, and any unencumbered

1 or unallotted funds shall not lapse at the end of the fiscal year and shall be available
2 for expenditures for projects under this section until the projects have been completed.
3 The following is in compliance with section 451a of the management and budget act, 1984 PA
4 431, MCL 18.1451a:

- 5 (a) The purpose of the project is to provide underground storage tank cleanup.
- 6 (b) The project will be accomplished by utilizing contracts with service providers.
- 7 (c) The total estimated cost of the project is \$20,000,000.00.
- 8 (d) The tentative completion date is September 30, 2031.

9

10 **RENEWING MICHIGAN'S ENVIRONMENT**

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

- 17 (a) The purpose of the project is for environmental cleanup and redevelopment, waste
18 management, and recycling.
- 19 (b) The project will be accomplished by utilizing state employees or contracts with
20 service providers, or both.
- 21 (c) The total estimated cost of the project is \$70,495,800.00.
- 22 (d) The tentative completion date is September 30, 2031.

23

24 **MATERIALS MANAGEMENT DIVISION**

25 Sec. 6-901. In addition to the money appropriated in part 1, the department may
26 receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to
27 provide funding for activities as outlined within the State's Mitigation Plan. The
28 department shall prepare a report to the appropriations subcommittees, the fiscal agencies,
29 and the state budget office by February 1, 2027 of the expenditures incurred under this
30 section during the fiscal year ending September 30, 2026.

31

32 **WATER INFRASTRUCTURE**

1 Sec. 6-951. The funds appropriated in part 1 for lead service line replacement must
2 be used to support water infrastructure projects, including, but not limited to, lead
3 service line replacement and associated activities, drinking water projects, wastewater
4 management, or stormwater management to promote coordinated water infrastructure work.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
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	\$ 9,890,200 \$ 9,890,200
6	Total interdepartmental grants and intradepartmental	
7	transfers	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 9,890,200 \$ 9,890,200
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	\$ 9,890,200 \$ 9,890,200
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>9,890,200 9,890,200</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 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	1,720,800 1,720,800
23	Executive office-86.2 FTE positions	<u>7,898,500</u> <u>7,898,500</u>
24	GROSS APPROPRIATION	\$ 9,890,200 \$ 9,890,200
25	Appropriated from:	
26	Special revenue funds:	
27	State general fund/general purpose	\$ 9,890,200 \$ 9,890,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

GENERAL SECTIONS

Sec. 7-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2027 is \$9,890,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	16,036.5	16,036.5
5	GROSS APPROPRIATION	\$ 40,993,612,400	\$ 40,853,424,700
6	Total interdepartmental grants and intradepartmental		
7	transfers	15,504,500	15,504,500
8	ADJUSTED GROSS APPROPRIATION	\$ 40,978,107,900	\$ 40,837,920,200
9	Total federal revenues	28,586,210,100	28,584,710,100
10	Total local revenues	187,655,900	187,655,900
11	Total private revenues	189,283,800	179,283,800
12	Total other state restricted revenues	5,027,812,800	4,965,062,800
13	State general fund/general purpose	\$ 6,987,145,300	\$ 6,921,207,600
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>6,921,207,600</i>	<i>6,921,207,600</i>
16	<i>One-time state general fund/general purpose</i>	<i>65,937,700</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.....	998.4	998.4
20	Unclassified salaries-6.0 FTE positions	\$ 1,518,700	\$ 1,518,700
21	Administrative hearings officers	9,248,700	9,248,700
22	Child welfare institute-59.0 FTE positions	10,278,600	10,278,600
23	Coordinated children's healthcare policy and supports		
24	74.0 FTE positions	31,320,800	31,320,800
25	Demonstration projects-7.0 FTE positions	6,779,000	6,779,000
26	Departmental administration and management-613.4		
27	FTE positions	116,303,600	116,303,600
28	Coordinated children's healthcare policy and supports	1,000,000	1,000,000
29	Legal services	100,000	100,000
30	Office of inspector general-221.0 FTE positions	32,587,300	32,587,300
31	Property management	61,050,800	61,050,800
32	Terminal leave payments	6,639,100	6,639,100

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Training and program support-24.0 FTE positions	3,729,000	3,729,000
2 Worker's compensation	<u>8,494,200</u>	<u>8,494,200</u>
3 GROSS APPROPRIATION	\$ 288,049,800	\$ 288,049,800
4 Appropriated from:		
5 Interdepartmental grant revenues:		
6 IDG from department of technology, management and		
7 budget	600	600
8 IDG from department of lifelong education, advancement,		
9 and potential	1,913,700	1,913,700
10 Federal revenues:		
11 Other federal revenues	121,858,600	121,858,600
12 Special revenue funds:		
13 Local revenues	86,000	86,000
14 Private revenues	4,067,900	4,067,900
15 Other state restricted revenues	8,862,100	8,862,100
16 State general fund/general purpose	<u>\$ 151,260,900</u>	<u>\$ 151,260,900</u>
17 Sec. 8-103. CHILD SUPPORT ENFORCEMENT		
18 Full-time equated classified positions.....	189.7	189.7
19 Child support enforcement operations-183.7 FTE		
20 positions	<u>\$ 31,156,700</u>	<u>\$ 31,156,700</u>
21 Child support incentive payments	24,409,600	24,409,600
22 Legal support contracts	132,600,300	132,600,300
23 State disbursement unit-6.0 FTE positions	<u>7,402,200</u>	<u>7,402,200</u>
24 GROSS APPROPRIATION	\$ 195,568,800	\$ 195,568,800
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	169,736,800	169,736,800
28 Special revenue funds:		
29 State general fund/general purpose	<u>\$ 25,832,000</u>	<u>\$ 25,832,000</u>
30 Sec. 8-104. COMMUNITY SERVICES AND OUTREACH		
31 Full-time equated classified positions.....	56.0	56.0
32 Bureau of community services and outreach-24.0		

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	FTE positions	\$ 3,691,000	\$ 3,691,000
2	Community services and outreach administration-17.0		
3	FTE positions	6,907,000	6,907,000
4	Community services block grant	37,170,600	37,170,600
5	Diaper assistance grant	6,404,400	6,404,400
6	Homeless programs-4.0 FTE positions	35,127,700	35,127,700
7	Housing and support services	13,031,000	13,031,000
8	Kids' food basket	525,000	525,000
9	Runaway and homeless youth grants	12,533,800	12,533,800
10	Senior university	400,000	400,000
11	Weatherization assistance	22,633,700	22,633,700
12	Weatherization assistance - IIJA-11.0 FTE positions ..	<u>40,024,000</u>	<u>40,024,000</u>
13	GROSS APPROPRIATION	\$ 178,448,200	\$ 178,448,200
14	Appropriated from:		
15	Federal revenues:		
16	Other federal revenues	153,780,300	153,780,300
17	Special revenue funds:		
18	State general fund/general purpose	\$ 24,667,900	\$ 24,667,900
19	Sec. 8-105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
20	Full-time equated classified positions.....	3,814.2	3,814.2
21	Adoption subsidies	\$ 228,000,000	\$ 228,000,000
22	Adoption support services-10.0 FTE positions	41,935,800	41,935,800
23	Attorney general contract	5,191,100	5,191,100
24	Child abuse and neglect - children's justice act-1.0		
25	FTE position	631,500	631,500
26	Child care fund	339,928,700	339,928,700
27	Child care fund - indirect cost allotment	3,500,000	3,500,000
28	Child protection	2,050,300	2,050,300
29	Child welfare administration travel	390,000	390,000
30	Child welfare licensing-53.0 FTE positions	7,826,600	7,826,600
31	Child welfare local office staff - noncaseload		
32	compliance-353.0 FTE positions	43,983,900	43,983,900

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Child welfare medical/psychiatric evaluations	7,928,500	7,928,500
2 Children's protective services - caseload staff		
3 1,461.0 FTE positions	179,594,900	179,594,900
4 Children's protective services supervisors-387.0 FTE		
5 positions	51,197,700	51,197,700
6 Children's services administration-206.2 FTE positions	29,873,800	29,873,800
7 Children trust Michigan-12.0 FTE positions	5,200,900	5,200,900
8 Contractual services, supplies, and materials	9,852,000	9,852,000
9 Court-appointed special advocates	2,250,000	2,250,000
10 Education planners-15.0 FTE positions	2,030,300	2,030,300
11 Family preservation and prevention services administration		
12 9.0 FTE positions	1,466,800	1,466,800
13 Family preservation programs-34.0 FTE positions	59,859,300	59,859,300
14 Foster care payments	371,900,000	371,900,000
15 Foster care services - caseload staff-838.0 FTE		
16 positions	103,282,100	103,282,100
17 Foster care services supervisors-227.0 FTE positions .	32,955,600	32,955,600
18 Guardianship assistance program	12,800,000	12,800,000
19 Interstate compact	179,600	179,600
20 Peer coaches-45.5 FTE positions	6,738,700	6,738,700
21 Permanency resource managers-28.0 FTE positions	3,743,200	3,743,200
22 Prosecuting attorney contracts	8,142,800	8,142,800
23 Second line supervisors and technical staff-126.0 FTE		
24 positions	20,990,800	20,990,800
25 Settlement monitor	2,261,700	2,261,700
26 Strong families/safe children	11,600,000	11,600,000
27 Title IV-E compliance and accountability office		
28 4.0 FTE positions	484,800	484,800
29 Youth in transition-4.5 FTE positions	8,212,100	8,212,100
30 GROSS APPROPRIATION	\$ 1,605,983,500	\$ 1,605,983,500
31 Appropriated from:		
32 Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 IDG from department of lifelong education, advancement,		
2 and potential	244,400	244,400
3 Federal revenues:		
4 Other federal revenues	645,797,300	645,797,300
5 Special revenue funds:		
6 Local revenues	48,503,000	48,503,000
7 Private revenues	1,500,000	1,500,000
8 Other state restricted revenues	6,495,300	6,495,300
9 State general fund/general purpose	\$ 903,443,500	\$ 903,443,500
10 Sec. 8-106. CHILDREN'S SERVICES AGENCY -		
11 JUVENILE JUSTICE		
12 Full-time equated classified positions.....	190.5	190.5
13 Bay pines center-53.0 FTE positions	\$ 7,845,000	\$ 7,845,000
14 Committee on juvenile justice administration-2.5		
15 FTE positions	376,600	376,600
16 Committee on juvenile justice grants	3,000,000	3,000,000
17 Community support services-3.0 FTE positions	2,524,300	2,524,300
18 County juvenile officers	3,977,600	3,977,600
19 Juvenile justice, administration and maintenance		
20 21.0 FTE positions	5,605,500	5,605,500
21 Michigan youth treatment center-111.0 FTE positions ..	<u>16,567,300</u>	<u>16,567,300</u>
22 GROSS APPROPRIATION	\$ 39,896,300	\$ 39,896,300
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	8,023,000	8,023,000
26 Special revenue funds:		
27 Local revenues	12,020,800	12,020,800
28 State general fund/general purpose	\$ 19,852,500	\$ 19,852,500
29 Sec. 8-107. PUBLIC ASSISTANCE		
30 Full-time equated classified positions.....	1.0	1.0
31 Emergency services local office allocations	\$ 7,553,900	\$ 7,553,900
32 Family independence program	82,485,000	82,485,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Family independence program - clothing allowance	10,000,000	10,000,000
2 Family independence program - small child supplemental		
3 payment	23,240,100	23,240,100
4 Food assistance program benefits	3,446,187,200	3,446,187,200
5 Indigent burial	2,384,700	2,384,700
6 Low-income home energy assistance program	174,951,600	174,951,600
7 Michigan agricultural surplus system	12,045,000	12,045,000
8 Michigan energy assistance program-1.0 FTE position ..	100,000,000	100,000,000
9 Prenatal and infant support program	20,000,000	20,000,000
10 Refugee assistance program	7,954,200	7,954,200
11 State disability assistance payments	4,543,800	4,543,800
12 State supplementation	<u>58,085,000</u>	<u>58,085,000</u>
13 GROSS APPROPRIATION	\$ 3,949,430,500	\$ 3,949,430,500
14 Appropriated from:		
15 Federal revenues:		
16 Other federal revenues	3,736,051,200	3,736,051,200
17 Special revenue funds:		
18 Other state restricted revenues	116,516,900	116,516,900
19 State general fund/general purpose	\$ 96,862,400	\$ 96,862,400
20 Sec. 8-108. LOCAL OFFICE OPERATIONS AND SUPPORT		
21 SERVICES		
22 Full-time equated classified positions.....	6,073.5	6,073.5
23 Administrative support workers-127.0 FTE positions ...	\$ 15,415,500	\$ 15,415,500
24 Adult services local office staff-550.0 FTE positions	71,524,000	71,524,000
25 Contractual services, supplies, and materials	35,839,000	35,839,000
26 Donated funds positions-159.0 FTE positions	28,001,600	28,001,600
27 Elder law of Michigan MiCAFE contract	450,000	450,000
28 Electronic benefit transfer (EBT)	7,198,000	7,198,000
29 Employment and training support services	3,869,100	3,869,100
30 Food assistance reinvestment-16.0 FTE positions	3,841,100	3,841,100
31 Local office policy and administration-122.0 FTE		
32 positions	22,688,600	22,688,600

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Local office staff travel	8,611,400	8,611,400
2 Medical/psychiatric evaluations	1,120,100	1,120,100
3 Public assistance local office staff-5,099.5 FTE		
4 positions	620,734,500	620,734,500
5 SSI advocacy legal services grant	<u>975,000</u>	<u>975,000</u>
6 GROSS APPROPRIATION	\$ 820,267,900	\$ 820,267,900
7 Appropriated from:		
8 Interdepartmental grant revenues:		
9 IDG from department of corrections	120,200	120,200
10 IDG from department of lifelong education, advancement,		
11 and potential	8,303,900	8,303,900
12 Federal revenues:		
13 Other federal revenues	349,238,400	349,238,400
14 Special revenue funds:		
15 Local revenues	4,473,100	4,473,100
16 Private revenues	10,512,500	10,512,500
17 State general fund/general purpose	<u>\$ 447,619,800</u>	<u>\$ 447,619,800</u>
18 Sec. 8-109. DISABILITY DETERMINATION SERVICES		
19 Full-time equated classified positions.....	628.4	628.4
20 Disability determination operations-624.3 FTE		
21 positions	\$ 126,213,900	\$ 126,213,900
22 Retirement disability determination-4.1 FTE positions	<u>662,000</u>	<u>662,000</u>
23 GROSS APPROPRIATION	\$ 126,875,900	\$ 126,875,900
24 Appropriated from:		
25 Interdepartmental grant revenues:		
26 IDG from department of technology, management and		
27 budget	838,600	838,600
28 Federal revenues:		
29 Other federal revenues	123,235,300	123,235,300
30 Special revenue funds:		
31 State general fund/general purpose	<u>\$ 2,802,000</u>	<u>\$ 2,802,000</u>
32 Sec. 8-110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	AND SPECIAL PROJECTS	
2		
3		
4	101.0	101.0
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6		
7	\$ 50,771,200	\$ 50,771,200
8		
9	79,221,100	79,221,100
10		
11	17,173,100	17,173,100
12		
13	2,535,600	2,535,600
14		
15	9,534,000	9,534,000
16		
17	3,850,000	3,850,000
18		
19	5,789,000	5,789,000
20		
21	3,629,500	3,629,500
22		
23	122,165,100	122,165,100
24		
25	194,400	194,400
26	\$ 294,863,000	\$ 294,863,000
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	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Health homes	50,239,800	50,239,800
2 Healthy Michigan plan - behavioral health	525,256,200	525,256,200
3 Medicaid mental health services	3,667,513,800	3,667,513,800
4 Medicaid substance use disorder services	84,902,600	84,902,600
5 Multicultural integration funding	17,284,900	17,284,900
6 Nursing home PAS/ARR-OBRA	18,813,600	18,813,600
7 State disability assistance program substance use		
8 disorder services	<u>2,018,800</u>	<u>2,018,800</u>
9 GROSS APPROPRIATION	\$ 6,046,804,500	\$ 6,046,804,500
10 Appropriated from:		
11 Federal revenues:		
12 Other federal revenues	4,128,327,500	4,128,327,500
13 Special revenue funds:		
14 Local revenues	9,943,600	9,943,600
15 Other state restricted revenues	672,346,400	672,346,400
16 State general fund/general purpose	\$ 1,236,187,000	\$ 1,236,187,000
17 Sec. 8-112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC		
18 MENTAL HEALTH SERVICES		
19 Full-time equated classified positions.....	2,481.6	2,481.6
20 Caro Regional Mental Health Center - psychiatric hospital		
21 adult-432.7 FTE positions	\$ 71,981,700	\$ 71,981,700
22 Center for forensic psychiatry-624.5 FTE positions ...	129,037,800	129,037,800
23 Developmental disabilities council and projects-10.0		
24 FTE positions	3,244,200	3,244,200
25 Gifts and bequests for patient living and treatment		
26 environment	1,000,000	1,000,000
27 IDEA, federal special education	120,000	120,000
28 Kalamazoo Psychiatric Hospital - adult-473.2 FTE		
29 positions	74,708,100	74,708,100
30 Purchase of medical services for residents of		
31 hospitals and centers	445,600	445,600
32 Revenue recapture	750,100	750,100

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Southeast Michigan state psychiatric hospital - psychiatric		
2 hospital - adult, children, and adolescents-907.2 FTE		
3 positions	171,576,300	171,576,300
4 Special maintenance	924,600	924,600
5 State hospital administration-34.0 FTE positions	<u>5,879,400</u>	<u>5,879,400</u>
6 GROSS APPROPRIATION	\$ 459,667,800	\$ 459,667,800
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	41,200,000	41,200,000
10 Special revenue funds:		
11 Local revenues	24,938,400	24,938,400
12 Private revenues	1,000,000	1,000,000
13 Other state restricted revenues	19,189,200	19,189,200
14 State general fund/general purpose	\$ 373,340,200	\$ 373,340,200
15 Sec. 8-113. HEALTH AND HUMAN SERVICES POLICY AND		
16 INITIATIVES		
17 Full-time equated classified positions.....	77.3	77.3
18 Certificate of need program administration-11.3 FTE		
19 positions	\$ 2,783,000	\$ 2,783,000
20 Child advocacy centers	1,407,000	1,407,000
21 Child advocacy centers - supplemental grants	2,000,000	2,000,000
22 Crime victim grants administration services-15.0 FTE		
23 positions	3,161,700	3,161,700
24 Crime victim justice assistance grants	78,579,300	78,579,300
25 Crime victim rights services grants	19,869,900	19,869,900
26 Crime victim's rights sustaining grants-2.0 FTE		
27 positions	30,000,000	30,000,000
28 Domestic violence prevention and treatment-15.6 FTE		
29 positions	20,512,300	20,512,300
30 Human trafficking intervention services-1.0 FTE		
31 position.....	200,000	200,000
32 Michigan essential health provider	3,519,600	3,519,600

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Minority health grants and contracts-3.0 FTE positions	1,169,300	1,169,300
2	Nurse education and research program-3.0 FTE positions	828,300	828,300
3	Policy and planning administration-19.9 FTE positions	2,836,900	2,836,900
4	Primary care services-3.0 FTE positions	3,813,300	3,813,300
5	Rape prevention and services-0.5 FTE position	7,216,600	7,216,600
6	Rural health services	175,000	175,000
7	Rural health transformation program-3.0 FTE positions	250,000,000	250,000,000
8	Uniform statewide sexual assault evidence kit tracking		
9	system.....	<u>369,500</u>	<u>369,500</u>
10	GROSS APPROPRIATION	\$ 428,441,700	\$ 428,441,700
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from department of licensing and regulatory		
14	affairs.....	828,300	828,300
15	IDG from department of treasury	117,700	117,700
16	IDG from department of lifelong education, advancement,		
17	and potential	2,400	2,400
18	Federal revenues:		
19	Other federal revenues	354,729,300	354,729,300
20	Special revenue funds:		
21	Private revenues	855,000	855,000
22	Other state restricted revenues	27,608,700	27,608,700
23	State general fund/general purpose	\$ 44,300,300	\$ 44,300,300
24	Sec. 8-114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES,		
25	AND LABORATORY		
26	Full-time equated classified positions.....	448.9	448.9
27	Bioterrorism preparedness-53.0 FTE positions	\$ 31,265,300	\$ 31,265,300
28	Childhood lead program-4.5 FTE positions	2,358,300	2,358,300
29	Emergency medical services program-27.0 FTE positions	7,276,700	7,276,700
30	Epidemiology administration-73.5 FTE positions	27,118,600	27,118,600
31	Healthy homes program-62.0 FTE positions	53,680,000	53,680,000
32	Laboratory services-102.0 FTE positions	32,065,500	32,065,500

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Newborn screening follow-up and treatment services-10.5		
2 FTE positions	10,370,600	10,370,600
3 PFAS and environmental contamination response-46.0		
4 FTE positions	18,724,900	18,724,900
5 Vital records and health statistics-70.4 FTE positions	<u>11,886,400</u>	<u>11,886,400</u>
6 GROSS APPROPRIATION	\$ 194,746,300	\$ 194,746,300
7 Appropriated from:		
8 Interdepartmental grant revenues:		
9 IDG from department of environment, great lakes, and		
10 energy.....	2,525,000	2,525,000
11 Federal revenues:		
12 Other federal revenues	79,336,700	79,336,700
13 Special revenue funds:		
14 Private revenues	1,342,600	1,342,600
15 Other state restricted revenues	34,295,700	34,295,700
16 State general fund/general purpose	<u>\$ 77,246,300</u>	<u>\$ 77,246,300</u>
17 Sec. 8-115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
18 Full-time equated classified positions.....	204.6	204.6
19 AIDS prevention, testing, and care programs-79.0 FTE		
20 positions	<u>\$ 111,041,200</u>	<u>\$ 111,041,200</u>
21 Cancer prevention and control program-18.0 FTE		
22 positions	20,981,900	20,981,900
23 Chronic disease control and health promotion		
24 administration-28.4 FTE positions	10,570,700	10,570,700
25 Community health programs-5.0 FTE positions	17,500,000	17,500,000
26 Diabetes and kidney program-8.0 FTE positions	4,233,100	4,233,100
27 Essential local public health services	81,419,300	81,419,300
28 Implementation of 1993 PA 133, MCL 333.17015	20,000	20,000
29 Local health services-4.3 FTE positions	9,610,400	9,610,400
30 Medicaid outreach cost reimbursement to local health		
31 departments	12,500,000	12,500,000
32 Public health administration-8.0 FTE positions	2,206,900	2,206,900

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Sexually transmitted disease control program-20.0		
2 FTE positions	8,655,500	8,655,500
3 Smoking prevention program-22.0 FTE positions	16,098,300	16,098,300
4 Violence prevention-11.9 FTE positions	<u>17,366,000</u>	<u>17,366,000</u>
5 GROSS APPROPRIATION	\$ 312,203,300	\$ 312,203,300
6 Appropriated from:		
7 Federal revenues:		
8 Other federal revenues	91,670,100	91,670,100
9 Special revenue funds:		
10 Local revenues	10,150,000	10,150,000
11 Private revenues	74,556,600	74,556,600
12 Other state restricted revenues	29,167,600	29,167,600
13 State general fund/general purpose	<u>\$ 106,659,000</u>	<u>\$ 106,659,000</u>
14 Sec. 8-116. FAMILY HEALTH SERVICES		
15 Full-time equated classified positions.....	137.6	137.6
16 Child and adolescent health care and centers	<u>\$ 41,242,700</u>	<u>\$ 41,242,700</u>
17 Dental programs-5.3 FTE positions	7,937,100	7,937,100
18 Drinking water declaration of emergency	3,971,000	3,971,000
19 Family planning local agreements	15,810,700	15,810,700
20 Family, maternal, and child health administration-50.0		
21 FTE positions	10,683,200	10,683,200
22 Immunization program-20.8 FTE positions	19,969,300	19,969,300
23 Local MCH services	7,018,100	7,018,100
24 Pregnancy prevention program	1,297,900	1,297,900
25 Prenatal care outreach and service delivery support-19.5		
26 FTE positions	48,497,000	48,497,000
27 Special projects	6,789,100	6,789,100
28 Sudden and unexpected infant death and suffocation		
29 prevention program.....	321,300	321,300
30 Women, infants, and children program administration and		
31 special projects-42.0 FTE positions.....	19,880,200	19,880,200
32 Women, infants, and children program local agreements		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 and food costs	251,285,000	251,285,000
2 GROSS APPROPRIATION	\$ 434,702,600	\$ 434,702,600
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	272,769,600	272,769,600
6 Special revenue funds:		
7 Local revenues	42,817,700	42,817,700
8 Private revenues	64,785,700	64,785,700
9 Other state restricted revenues	3,270,500	3,270,500
10 State general fund/general purpose	\$ 51,059,100	\$ 51,059,100
11 Sec. 8-117. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
12 Full-time equated classified positions.....	51.8	51.8
13 Bequests for care and services-9.8 FTE positions	\$ 2,415,300	\$ 2,415,300
14 Children's special health care services administration		
15 42.0 FTE positions	9,388,900	9,388,900
16 Medical care and treatment	443,164,400	443,164,400
17 Outreach and advocacy	6,722,200	6,722,200
18 GROSS APPROPRIATION	\$ 461,690,800	\$ 461,690,800
19 Appropriated from:		
20 Federal revenues:		
21 Other federal revenues	252,754,900	252,754,900
22 Special revenue funds:		
23 Private revenues	1,037,200	1,037,200
24 Other state restricted revenues	4,582,400	4,582,400
25 State general fund/general purpose	\$ 203,316,300	\$ 203,316,300
26 Sec. 8-118. AGING SERVICES		
27 Community services	\$ 61,047,200	\$ 61,047,200
28 Employment assistance	3,500,000	3,500,000
29 Nutrition services	50,004,200	50,004,200
30 Respite care program	7,268,700	7,268,700
31 Senior volunteer service programs	4,765,300	4,765,300
32 GROSS APPROPRIATION	\$ 126,585,400	\$ 126,585,400

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Appropriated from:		
2	Federal revenues:		
3	Other federal revenues	67,787,400	67,787,400
4	Special revenue funds:		
5	Private revenues	300,000	300,000
6	Michigan merit award trust fund	4,068,700	4,068,700
7	Other state restricted revenues	2,800,000	2,800,000
8	State general fund/general purpose	\$ 51,629,300	\$ 51,629,300
9	Sec. 8-119. HEALTH AND AGING SERVICES ADMINISTRATION		
10	Full-time equated classified positions.....	563.0	563.0
11	Aging services administration-43.0 FTE positions	\$ 9,826,500	\$ 9,826,500
12	Health services administration-520.0 FTE positions ...	<u>151,399,300</u>	<u>151,399,300</u>
13	GROSS APPROPRIATION	\$ 161,225,800	\$ 161,225,800
14	Appropriated from:		
15	Federal revenues:		
16	Other federal revenues	102,121,800	102,121,800
17	Special revenue funds:		
18	Local revenues	187,700	187,700
19	Private revenues	1,721,300	1,721,300
20	Other state restricted revenues	336,300	336,300
21	State general fund/general purpose	\$ 56,858,700	\$ 56,858,700
22	Sec. 8-120. HEALTH SERVICES		
23	Adult home help services	\$ 800,184,800	\$ 800,184,800
24	Ambulance services	25,335,200	25,335,200
25	Auxiliary medical services	5,126,300	5,126,300
26	Dental clinic program	1,000,000	1,000,000
27	Dental services	336,287,500	336,287,500
28	Federal Medicare pharmaceutical program	450,194,500	450,194,500
29	Federally qualified health centers	157,182,600	157,182,600
30	Health plan services	8,561,107,000	8,561,107,000
31	Healthy Michigan plan	6,358,932,300	6,358,932,300
32	Home health services	18,690,200	18,690,200

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Hospice services	258,260,400	258,260,400
2 Hospital services and therapy	694,018,200	694,018,200
3 Integrated care organizations	736,486,400	736,486,400
4 Long-term care services	2,586,950,000	2,586,950,000
5 Maternal and child health	37,267,500	37,267,500
6 Medicaid home- and community-based services waiver ...	603,442,900	603,442,900
7 Medicare premium payments	1,049,501,000	1,049,501,000
8 Personal care services	5,035,500	5,035,500
9 Pharmaceutical services	448,310,400	448,310,400
10 Physician services	137,712,000	137,712,000
11 Program of all-inclusive care for the elderly	326,992,100	326,992,100
12 School-based services	196,691,300	196,691,300
13 Special Medicaid reimbursement	370,654,700	370,654,700
14 Transportation	<u>26,057,200</u>	<u>26,057,200</u>
15 GROSS APPROPRIATION	\$ 24,191,420,000	\$ 24,191,420,000
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	17,337,776,400	17,337,776,400
19 Special revenue funds:		
20 Local revenues	34,530,400	34,530,400
21 Private revenues	9,650,300	9,650,300
22 Michigan merit award trust fund	95,700,000	95,700,000
23 Other state restricted revenues	3,870,423,100	3,870,423,100
24 State general fund/general purpose	\$ 2,843,339,800	\$ 2,843,339,800
25 Sec. 8-121. INFORMATION TECHNOLOGY		
26 Bridges information system	\$ 121,949,400	\$ 121,949,400
27 Child support automation	45,186,700	45,186,700
28 Comprehensive child welfare information system	8,761,900	8,761,900
29 Information technology services and projects	233,903,000	233,903,000
30 Michigan Medicaid information system	104,265,300	104,265,300
31 Michigan statewide automated child welfare information		
32 system	<u>22,486,300</u>	<u>22,486,300</u>

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 GROSS APPROPRIATION	\$ 536,552,600	\$ 536,552,600
2 Appropriated from:		
3 Interdepartmental grant revenues:		
4 IDG from department of lifelong education, advancement,		
5 and potential	609,700	609,700
6 Federal revenues:		
7 Other federal revenues	368,480,900	368,480,900
8 Special revenue funds:		
9 Local revenues	5,200	5,200
10 Private revenues	5,250,000	5,250,000
11 Other state restricted revenues	2,010,400	2,010,400
12 State general fund/general purpose	\$ 160,196,400	\$ 160,196,400
13 Sec. 8-122. ONE-TIME APPROPRIATIONS		
14 Full-time equated classified positions.....	3.0	3.0
15 Community violence prevention - gun safety and		
16 training.....	\$ 2,500,000	\$ 0
17 Health services administration-3.0 FTE positions	3,000,000	0
18 Nursing facility staffing initiative	10,000,000	0
19 Opioid response activities	62,750,000	0
20 State hospital administration	7,214,800	0
21 State psychiatric DSH disallowance	<u>54,722,900</u>	<u>0</u>
22 GROSS APPROPRIATION	\$ 140,187,700	\$ 0
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	1,500,000	0
26 Special revenue funds:		
27 Private revenues	10,000,000	0
28 Other state restricted revenues	62,750,000	0
29 State general fund/general purpose	\$ 65,937,700	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

GENERAL SECTIONS

Sec. 8-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2027 is \$12,013,958,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$2,408,987,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Child support incentive payments.....	\$	9,754,900
Legal support contracts.....		1,400
Community services and outreach administration.....		1,000
Homeless programs.....		11,800
Housing and support services.....		138,500
Child care fund.....		208,675,600
Child care fund - indirect cost allotment.....		3,500,000
Child welfare licensing.....		26,500
Child welfare medical/psychiatric evaluations.....		18,100
Children trust Michigan.....		35,100
Contractual services, supplies, and materials.....		50,700
Family preservation programs.....		100
Foster care payments.....		2,122,400
Prosecuting attorney contracts.....		1,235,600
Strong families/safe children.....		36,300
Youth in transition.....		800
Bay pines center.....		40,700
Community support services.....		124,100
County juvenile officers.....		67,900
Emergency services local office allocations.....		2,045,000
Indigent burial.....		2,800

1	Michigan energy assistance program.....	439,300
2	State disability assistance payments.....	256,300
3	Contractual services, supplies, and materials.....	84,000
4	Employment and training support services.....	5,400
5	Disability determination operations.....	3,300
6	Behavioral health program administration.....	42,800
7	Community substance use disorder prevention, education, and treatment.	8,913,500
8	Gambling addiction.....	1,065,000
9	Mental health diversion council.....	113,900
10	Opioid response activities.....	927,800
11	Autism services.....	189,487,300
12	Behavioral health community supports and services.....	482,300
13	Certified community behavioral health clinic demonstration.....	183,500,000
14	Community mental health non-Medicaid services.....	125,578,200
15	Health homes.....	3,163,900
16	Healthy Michigan plan - behavioral health.....	52,303,300
17	Medicaid mental health services.....	1,267,786,600
18	Medicaid substance use disorder services.....	29,231,400
19	Multicultural integration funding.....	969,000
20	Nursing home PAS/ARR-OBRA.....	3,834,900
21	State disability assistance program substance use disorder services...	1,539,000
22	Caro Regional Mental Health Center - psychiatric hospital - adult.....	68,500
23	Center for forensic psychiatry.....	696,600
24	Kalamazoo Psychiatric Hospital - adult.....	84,200
25	Southeast Michigan state psychiatric hospital - psychiatric hospital	
26	adult, children, and adolescents.....	43,200
27	Community health programs.....	687,700
28	Crime victim rights services grants.....	4,454,800
29	Crime victim's rights sustaining grants.....	7,343,700
30	Domestic violence prevention and treatment.....	72,200
31	Primary care services.....	10,300
32	Emergency medical services program.....	6,700

1	Epidemiology administration.....	521,000
2	Healthy homes program.....	1,931,900
3	Laboratory services.....	94,600
4	PFAS and environmental contamination response.....	700
5	AIDS prevention, testing, and care programs.....	2,663,100
6	Cancer prevention and control program.....	30,000
7	Essential local public health services.....	69,050,700
8	Local health services.....	1,356,800
9	Public health administration.....	200
10	Sexually transmitted disease control program.....	720,400
11	Smoking prevention program.....	450,000
12	Dental programs.....	2,346,000
13	Drinking water declaration of emergency.....	70,700
14	Family planning local agreements.....	4,165,000
15	Immunization program.....	1,389,700
16	Pregnancy prevention program.....	65,000
17	Prenatal care outreach and service delivery support.....	7,464,100
18	Medical care and treatment.....	943,000
19	Outreach and advocacy.....	3,176,000
20	Community services.....	33,510,000
21	Nutrition services.....	14,513,000
22	Respite care program.....	5,664,000
23	Senior volunteer service programs.....	1,217,000
24	Aging services administration.....	125,000
25	Health services administration.....	361,000
26	Adult home help services.....	86,000
27	Ambulance services.....	1,216,000
28	Dental services.....	717,400
29	Federally qualified health centers.....	800,100
30	Healthy Michigan plan.....	907,500
31	Hospital services and therapy.....	613,000
32	Long-term care services.....	124,067,800

1	Medicaid home- and community-based services waiver.....	15,862,900
2	Personal care services.....	24,000
3	Physician services.....	1,378,000
4	Transportation.....	<u>401,000</u>
5	TOTAL	\$ 2,408,987,000

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

8 Sec. 8-203. As used in this part and part 1:

- 9 (a) "AIDS" means acquired immunodeficiency syndrome.
- 10 (b) "CCBHC" means certified community behavioral health clinic.
- 11 (c) "CMHSP" means a community mental health services program as that term is defined
12 in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- 13 (d) "CMS" means the Centers for Medicare and Medicaid Services.
- 14 (e) "CPT" means current procedural terminology.
- 15 (f) "Current fiscal year" means the fiscal year ending September 30,2026.
- 16 (g) "Department" means the department of health and human services.
- 17 (h) "Director" means the director of the department.
- 18 (i) "EPSDT" means early and periodic screening, diagnosis, and treatment.
- 19 (j) "Federal poverty level" means the poverty guidelines revised periodically and
20 published in the Federal Register by the Secretary of the United States Department of
21 Health and Human Services under the Secretary's authority to revise the poverty line under
22 42 USC 9902.
- 23 (k) "FQHC" means federally qualified health center.
- 24 (l) "FTE" means full-time equated.
- 25 (m) "GME" means graduate medical education.
- 26 (n) "Health plan" means, at a minimum, an organization that meets the criteria for
27 delivering the comprehensive package of services under the department's comprehensive
28 health plan.
- 29 (o) "HEDIS" means health care effectiveness data and information set.
- 30 (p) "HMO" means health maintenance organization.
- 31 (q) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to
32 1482.

- 1 (r) "IDG" means interdepartmental grant.
- 2 (s) "MCH" means maternal and child health.
- 3 (t) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to1396w-
4 8.
- 5 (u) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to
6 13951111.
- 7 (v) "MiCAFE" means Michigan's coordinated access to food for the elderly.
- 8 (w) "MIChild" means the program described in section 1670 of this part.
- 9 (x) "MiSACWIS" means Michigan statewide automated child welfare information system.
- 10 (y) "PACE" means program of all-inclusive care for the elderly.
- 11 (z) "PAS/ARR-OBRA" means the preadmission screening and annual resident review
12 required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the
13 social security act, 42 USC 1396r.
- 14 (aa) "PATH" means Partnership. Accountability. Training. Hope.
- 15 (bb) "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.
- 16 (cc) "PIHP" means an entity designated by the department as a regional entity or a
17 specialty prepaid inpatient health plan for Medicaid mental health services, services to
18 individuals with developmental disabilities, and substance use disorder services. Regional
19 entities are described in section 204b of the mental health code, 1974PA258, MCL 330.1204b.
20 Specialty prepaid inpatient health plans are described in section 232b of the mental health
21 code, 1974 PA 258, MCL 330.1232b.
- 22 (dd) "Previous fiscal year" means the fiscal year ending September 30,2025.
- 23 (ee) "Quarterly basis" means February 1, April 1, July 1, and September 30 of the
24 current fiscal year.
- 25 (ff) "Semiannual basis" means March 1 and September 30 of the current fiscal year.
- 26 (gg) "Settlement" means the settlement agreement entered in the case of Dwayne B. v
27 Snyder, Docket No.2:06cv-13548 in the United States District Court for the Eastern District
28 of Michigan.
- 29 (hh) "SSI" means supplemental security income.
- 30 (ii) "Standard report recipients" means the senate and house of representatives
31 appropriations subcommittees on the department budget, the senate and house fiscal
32 agencies, the senate and house of representatives policy offices, and the state budget

1 office.

2 (jj) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A
3 of subchapter IV of the social security act, 42 USC 601 to 619.

4 (kk) "Title IV-B" means part B of title IV of the social security act, 42 USC 621 to
5 629m.

6 (ll) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to
7 669b.

8 (mm) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to
9 679c.

10 (nn) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to
11 300a-8, which establishes grants to states for family planning services.

12 Sec. 8-204. A department or agency shall use the internet to fulfill the reporting
13 requirements of this part and shall make each report readily accessible to the public and
14 conspicuously post each required report in a single archivable location on the department's
15 or agency's Michigan.gov website not later than the due date required for each report. In
16 addition to placing all reports required in the current fiscal year on the department's or
17 agency's website, the department or agency shall maintain on its website all reports placed
18 on the website from previous fiscal years posted by fiscal year in the same single
19 archivable location. The department or agency shall also transmit all required reports for
20 the current fiscal year to the standard recipients and any other required recipients by
21 email.

22 Sec. 8-205. To the extent permissible under section 261 of the management and budget
23 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
24 appropriated in part 1:

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

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

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

1 Sec. 8-206. To the extent permissible under the management and budget act, 1984 PA
2 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
3 appropriations in part 1 shall take all reasonable steps to ensure geographically
4 disadvantaged business enterprises compete for and perform contracts to provide services or
5 supplies, or both. The director shall strongly encourage firms with which the department or
6 agency contracts to subcontract with certified geographically disadvantaged business
7 enterprises for services, supplies, or both. As used in this section, "geographically
8 disadvantaged business enterprises" means that term as defined in Executive Directive No.
9 2023-1.

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

18 (a) The dates of each travel occurrence.

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

22 Sec. 8-208. Not later than 6 months after the state budget office issues work project
23 letters, a department, agency and the legislature shall submit an annual report that
24 summarizes all work project accounts. The report must include all of the following:

25 (a) A list of all work project accounts.

26 (b) The status of all work project accounts, including amounts expended, amounts
27 encumbered, and available balances for each account.

28 (c) The amount of funds that lapsed from any previously designated work project
29 accounts, the name and description of the work project account, and the funds that received
30 the lapsed amounts.

31 Sec. 8-209. Not later than December 15, the state budget office shall prepare and
32 submit a report that provides for estimates of the total general fund/general purpose

1 appropriation lapses at the close of the previous fiscal year. The report must summarize
2 the projected year-end general fund/general purpose appropriation lapses by major
3 departmental program or program areas. The state budget office shall submit the report to
4 the standard report recipients and the chairpersons of the senate and house appropriations
5 committees.

6 Sec. 8-210. Sec. 210. (1) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$100,000,000.00 for federal contingency authorization.
8 Amounts appropriated under this subsection are not available for expenditure until they
9 have been transferred to another line item in part 1 under section 393(2) of the management
10 and budget act, 1984 PA 431, MCL 18.1393. Federal contingency authorization must not be
11 made available to increase TANF authorization.

12 (2) In addition to the funds appropriated in part 1, there is appropriated an amount not to
13 exceed \$50,000,000.00 for state restricted contingency authorization. Amounts appropriated
14 under this subsection are not available for expenditure until they have been transferred to
15 another line item in part 1 under section 393(2) of the management and budget act, 1984 PA
16 431, MCL 18.1393.

17 (3) In addition to the funds appropriated in part 1, there is appropriated an amount not to
18 exceed \$30,000,000.00 for local contingency authorization. Amounts appropriated under this
19 subsection are not available for expenditure until they have been transferred to another
20 line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL
21 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is appropriated an amount not to
23 exceed \$45,000,000.00 for private contingency authorization. Amounts appropriated under
24 this subsection are not available for expenditure until they have been transferred to
25 another line item in part 1 under section 393(2) of the management and budget act, 1984 PA
26 431, MCL 18.1393.

27 Sec. 8-211. 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 Sec. 8-212. Not later than 14 days after the release of the executive budget
3 recommendation, the department shall cooperate with the state budget office to provide an
4 annual report on estimated state restricted fund balances, state restricted fund projected
5 revenues, and state restricted fund expenditures for the previous 2 fiscal years. The
6 report must be submitted to the standard report recipients and to the chairpersons of the
7 senate and house of representatives appropriations committees.

8 Sec. 8-214. The department must provide an annual report to the standard report
9 recipients detailing federal policy changes that do, or are expected to do, any of the
10 following:

11 (a) Affect the operations of the department, including reductions in federal revenue.

12 (b) Affect an industry, community, population, or other group regulated or served by, or
13 that otherwise engages with, the department.

14 (c) Create a regulatory gap that could negatively impact the public.

15 Sec. 8-215. If either of the following events occurs, not later than 30 days after
16 the event occurs, the department shall notify the standard report recipients of that fact:

17 (a) A legislative objective of this part or of a bill or amendment to a bill to amend the
18 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because
19 implementation would conflict with or violate federal law.

20 (b) A federal grant for which a notice of an award has been received cannot be used or will
21 not be used.

22 Sec. 8-216. (1) In addition to funds appropriated in part 1 for all programs and
23 services, there is appropriated, for write-offs of accounts receivable, deferrals, and for
24 prior year obligations in excess of applicable prior year appropriations, an amount equal
25 to total write-offs and prior year obligations, but not to exceed amounts available in
26 prior year revenues.

27 (2) The department's ability to satisfy appropriation fund sources in part 1 is not limited
28 to collections and accruals pertaining to services provided in the current fiscal year and
29 includes reimbursements, refunds, adjustments, and settlements from prior years.

30 Sec. 8-217. Not later than February 1 of the current fiscal year, the department
31 shall submit, to the standard report recipients, a report on the detailed names and amounts
32 of estimated federal, restricted, private, and local sources of revenue that support the

1 appropriations in each of the line items in part 1 for the previous fiscal year. The report
2 must itemize, rather than aggregate, specific revenue sources deposited into the generic
3 statewide integrated governmental management application (SIGMA) fund numbers 1200, 1274,
4 4000, and 5000.

5 Sec. 8-218. As required under part 23 of the public health code, 1978 PA 368, MCL
6 333.2301 to 333.2321, the appropriations in part 1 must include the following:

7 (a) Immunizations.

8 (b) Communicable disease control.

9 (c) Sexually transmitted infection control.

10 (d) Tuberculosis control.

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

12 (f) Screening newborn infants for the conditions listed in section 5431 of the public
13 health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality
14 assurance advisory committee created under section 5430 of the public health code, 1978 PA
15 368, MCL 333.5430.

16 (g) Health and human services annex of the Michigan Emergency Management Plan.

17 (h) Prenatal care.

18 (i) Mental health.

19 Sec. 8-219. (1) The department may contract with the Michigan Public Health Institute
20 for the design and implementation of projects and for other public health-related
21 activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611.
22 The department may develop a master agreement with the Michigan Public Health Institute to
23 carry out the activities described in this subsection for up to a 1-year period.

24 (2) On a semiannual basis, the department shall submit, to the standard report
25 recipients, a report that includes all of the following:

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

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

29 (c) The expected project duration.

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

32 (3) On a semiannual basis, the department shall provide, to the standard report

1 recipients, a copy of all reports, studies, and publications produced by the Michigan
2 Public Health Institute, its subcontractors, or the department with the funds appropriated
3 in the department's budget in the previous fiscal year and allocated to the Michigan Public
4 Health Institute.

5 Sec. 8-220. The department shall ensure that faith-based organizations are able to
6 apply and compete for services, programs, or contracts that the organizations are qualified
7 and suitable to fulfill.

8 Sec. 8-221. In accordance with section 1b of the social welfare act, 1939 PA 280, MCL
9 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the
10 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

11 Sec. 8-222. The state budget director shall take steps to ensure that all state
12 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
13 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
14 recovery funds that would otherwise lapse after September 30, 2026, are automatically
15 reappropriated for the same purpose as originally authorized and available for expenditure
16 through December 31, 2026, and any subsequent financial close out period.

17 Sec. 8-223. The department may establish and collect fees for publications, videos
18 and related materials, conferences, and workshops. Collected fees are appropriated when
19 received and must be used to offset expenditures for publication printing and mailing,
20 costs of the publications, videos and related materials, conferences, and workshops. The
21 department shall not collect fees under this section that exceed the cost of the
22 expenditures. If collected fees are appropriated under this section in an amount that
23 exceeds the current fiscal year appropriation, not later than 30 days after the collected
24 fee appropriation, the department shall notify the standard report recipients of that fact.

25 Sec. 8-224. The department may retain all of this state's share of food assistance
26 overissuance collections as an offset to general fund/general purpose costs. Retained
27 collections must be applied against federal funds deductions in all appropriation units
28 where department costs related to the investigation and recoupment of food assistance
29 overissuances are incurred. Retained collections in excess of the investigation and
30 recoupment costs must be applied against the federal funds deducted in the departmental
31 administration and support appropriation unit.

32 Sec. 8-225. A department or agency required to submit a report under this part shall

1 make each report readily accessible to the public and conspicuously post each required
2 report in a single archivable location on the department's or agency's Michigan.gov website
3 not later than the due date required for each report. In addition to placing all reports
4 required in the current fiscal year on the department's or agency's website, the department
5 or agency shall maintain on its website all reports placed on the website from previous
6 fiscal years posted by fiscal year in the same single archivable location.

7 Sec. 8-226. If the revenue collected by the department from fees and collections
8 exceeds the amount appropriated in part 1, the revenue may be carried forward with the
9 approval of the state budget director into the subsequent fiscal year. The revenue carried
10 forward under this section must be used as the first source of funds in the subsequent
11 fiscal year.

12 Sec. 8-227. If the department receives tobacco tax funds and Healthy Michigan fund
13 revenue from part 1, not later than April 1 of the current fiscal year, the department
14 shall submit, to the standard report recipients, a report on both of the following
15 activities during the previous fiscal year:

- 16 (a) Tobacco tax revenue appropriations in the Medicaid program.
- 17 (b) Information for each project implemented with revenue under this section,
18 including all of the following:
- 19 (i) The project's name.
- 20 (ii) The appropriation line item and amount.
- 21 (iii) The project's target population.
- 22 (iv) A description of the project.
- 23 (v) The outcomes or accomplishments of the project.

24 Sec. 8-228. If the department is authorized under federal law or the law of this
25 state to collect an overpayment owed to the department, beginning 60 days after the initial
26 notification date of the overpayment amount, the department may assess a penalty of 1% per
27 month. If an overpayment is caused by department error, a penalty may be assessed 6 months
28 after the initial notification date of the overpayment amount. The department shall not
29 collect penalty interest in an amount that exceeds the amount of the original overpayment.
30 This state's share of any funds collected under this section must be deposited in the
31 general fund of this state.

32 Sec. 8-230. (1) Not later than March 1 and June 1 of the current fiscal year, the

1 department shall submit, to the standard report recipients, a report on the status of the
2 implementation of any noninflationary, noncaseload, programmatic funding increases in the
3 current fiscal year from the previous fiscal year. The report must confirm the
4 implementation of already-implemented funding increases and provide an explanation for any
5 planned implementation of funding increases that have not yet occurred. For any planned
6 implementation of funding increases that have not yet occurred, the report must include an
7 expected implementation date and the reason for delayed implementation.

8 (2) For any programmatic funding increases not reported as implemented or in process
9 under subsection (1), the department shall submit, to the standard report recipients, a
10 status update not later than June 1 of the current fiscal year.

11 Sec. 8-231. (1) The department shall not expend the funds appropriated in part 1 to
12 enter into any contract with a Medicaid managed care organization of MI Choice Waiver, MI
13 Coordinated Health, or behavioral health unless the Medicaid managed care organization
14 agrees to do all of the following:

15 (a) Continue the direct care wage increase funded at \$3.40 per hour for the services
16 noted in the department's Medicaid provider letter L 21-76 under the Medicaid managed care
17 organization's relevant program.

18 (b) Ensure, to the greatest extent possible, that the full amount of funds
19 appropriated for direct care worker wages, except for costs incurred by the employer,
20 including payroll taxes, is provided to direct care workers through maintained increased
21 wages.

22 (c) Permit a direct care worker to elect, in writing or electronically, to not
23 receive the wage increase provided in this section.

24 (2) Not later than March 1 of the current fiscal year, the department shall submit a
25 report to the standard report recipients that includes the following information by program
26 and provider type for the previous fiscal year:

27 (a) Hours of service that qualified for the direct care worker wage increase.

28 (b) The aggregate increase in wages attributable to the funding appropriated in part
29 1.

30 (c) A comparison of the projected increase included in the capitation rates and the
31 reported amount expended on the wage increase.

32 Sec. 8-232. The department shall provide the approved spending plan for each line

1 item receiving an appropriation in the current fiscal year to the senate and house of
2 representatives appropriations subcommittees on the department budget and the senate and
3 house fiscal agencies not later than 60 days after approval by the department or not later
4 than January 15 of the current fiscal year, whichever is earlier. In all places that a line
5 item appropriation number is listed, a line-item appropriation name must be included. The
6 spending plan must include the following information regarding planned expenditures for
7 each category: allocation in the previous period, change in the allocation, and new
8 allocation. The spending plan must include the following information regarding each revenue
9 source for the line item: category of the fund source indicated by general fund/general
10 purpose, state restricted, local, private, or federal. Figures included in the approved
11 spending plan must not be assumed to constitute the actual final expenditures, as line
12 items may be updated on an as-needed basis to reflect changes in projected expenditures and
13 projected revenue. The department shall supplement the spending plan information by
14 providing a list of all active contracts and grants in the department's contract system.
15 For amounts listed in the other contracts category of each spending plan, the department
16 shall include the name of the line item and the name of the fund source for each contract,
17 grant, and amount for the current fiscal year. For amounts listed in the all other costs
18 category of each spending plan, the department shall provide a list detailing planned
19 expenditures and amounts for the current fiscal year and include the name of the line item
20 and the name of the fund source related to each expenditure and amount.

21 Sec. 8-233. (1) The state budget director shall take steps to ensure that all state
22 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
23 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
24 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
25 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
26 that may include, but are not limited to, completed projects coming in under budget or
27 funds unable to be fully used by subrecipients. The state budget director shall reallocate
28 any of the funds reallocated under this subsection to the programs or purposes specified in
29 this section. Any funds reallocated are unappropriated and immediately reappropriated for
30 the following purposes:

31 (a) To reclassify general fund/general purpose appropriations for payroll and covered
32 benefits for eligible public health and safety employees at the department of corrections.

1 (b) To reclassify general fund/general purpose appropriations for payroll and covered
2 benefits for eligible public health and safety employees at the department of state police.

3 (2) All applicable guidance, implementation, and reporting provisions of Public Law
4 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
5 subsection (1).

6 (3) The state budget director shall notify the senate and house appropriations
7 committees not later than 10 business days after making any reallocations under subsection
8 (1). The notification must include the authorized program under which funds were originally
9 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
10 department to which the funds are being reallocated under subsection (1), and the amount
11 reallocated to each program or purpose.

12 Sec. 8-235. (1) Funds appropriated in part 1 must not be used to restrict or impede a
13 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 the local health
16 officer.

17 Sec. 8-236. (1) The department shall maximize the utilization of its in-person state
18 workforce. The department shall prioritize occupancy utilization of office space for each
19 division within the department. Employees with job responsibilities that require the
20 employees to serve in their capacities outside of an office shall be monitored each pay
21 period to ensure all work hours reported on the timesheet were actually worked.

22 (2) The department shall comply with requirements set by the office of state employer
23 on in-person work and utilization and occupancy rates of state buildings to ensure in-
24 person work is optimized and occupancy rates are 80 percent or higher, subject to market
25 conditions.

26 (3) The department shall adhere to the rules and regulations of civil service, which
27 state that the standard biweekly work period for a full-time employee in the classified
28 services is the equivalent of 80 hours of work. The department shall establish policies and
29 processes to ensure all employees are working their jobs during agreed-upon business hours.

30 Sec. 8-238. Not later than 6 months after the state budget office issues work project
31 letters, the department shall submit an annual report that summarizes all work project
32 accounts. The report must include all of the following:

1 (a) A list of all work project accounts.

2 (b) The status of all work project accounts, including amounts expended, amounts
3 encumbered, and available balances for each account.

4 (c) The amount of funds that lapsed from any previously designated work project
5 accounts, the name and description of the work project account, and the funds that received
6 the lapsed amounts.

7 Sec. 8-241. Not later than March 1 of the current fiscal year, the department shall
8 submit, to the standard report recipients, a report on total actual expenditures in the
9 previous fiscal year for advertising and media outreach, including the purpose, amount, and
10 fund source by program or appropriation line item.

11 Sec. 8-242. Not later than March 1 of the current fiscal year, the department shall
12 submit a description of programs report to the standard report recipients. For each
13 program, the report must include the appropriation unit; the line item name and number; the
14 appropriation history; the program name; the program overview; a financing summary; and,
15 where applicable, the program's legal basis, effectiveness, and outcomes.

16 Sec. 8-243. Total authorized appropriations from all sources under part 1 for legacy
17 costs for the fiscal year ending September 30, 2026 are estimated at \$201,838,700.00. From
18 this amount, total department appropriations for pension-related legacy costs are estimated
19 at \$182,045,900.00. Total department appropriations for retiree health care legacy costs
20 are estimated at \$19,792,800.00.

21 Sec. 8-244. On a quarterly basis, the department shall submit, to the standard report
22 recipients, a report on any line-item appropriation for which the department estimates
23 total annual expenditures would exceed the funds appropriated for the line-item
24 appropriation by 5% or more. The department shall provide a detailed explanation for any
25 relevant line-item appropriation exceedance and identify the corrective actions undertaken
26 to mitigate line-item appropriation expenditures from exceeding the funds appropriated for
27 the line-item appropriation by a greater amount. This section does not apply for line-item
28 appropriations that are part of the May revenue estimating conference caseload and
29 expenditure estimates.

30 Sec. 8-245. Not later than April 1, the department shall provide to the standard
31 report recipients a copy of its annual strategic plan prepared in compliance with section
32 363 of the management and budget act, 1984 PA 431, MCL 18.1363. The plan must include the

1 mission, vision, goals, strategies, and performance measures of the department.

2 Sec. 8-246. The department shall report on any court settlement that may require
3 further legislative review of state statutory programs or regulations in this state.

4 Sec. 8-247. Not later than November 15, the department shall disclose on a publicly
5 accessible website private and other third-party funds received by the department in the
6 previous fiscal year. The report must include the amount of funding received, the specific
7 source of funding received, the purpose for which funding was expended, and the amount of
8 any remaining funds. The report must be submitted to the standard report recipients and to
9 the chairpersons of the senate and house appropriations committees.

10 Sec. 8-248. Not later than April 1, the department shall report on each specific
11 policy change made to implement a public act affecting the department that took effect
12 during the previous calendar year. The report must include a reference to the public act
13 that necessitates the policy change. The department shall submit the report to the standard
14 report recipients, the senate and house appropriations committees, and the joint committee
15 on administrative rules.

16 Sec. 8-250. (1) Within 30 days of enactment of this act, the House and Senate Fiscal
17 Agencies shall provide to the State Budget Office a jointly agreed upon list of
18 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
19 of 2025. The list must include all information and documents pertaining to the funded items
20 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

21 (2) In accordance with Section 364(4) of the Management and Budget Act, the
22 department or agency administering the grant shall post a report in a publicly accessible
23 location on its website beginning March 15 of the current fiscal year. The department or
24 agency shall update the report and shall post an updated report not later than June 15 of
25 the current fiscal year and again not later than September 15 of the current fiscal year.
26 The department shall include in the report the most comprehensive information the
27 department has available at the time of posting for grants awarded.

28 Sec. 8-253. (1) The department shall ensure that each federally recognized tribe is
29 able to apply and compete for services, programs, grants, and contracts.

30 (2) For competitive grant programs described in this part, each federally recognized
31 tribe is eligible to apply for grant funds made available to organizations exempt from
32 federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC

1 501, and to local units of government.

2 Sec. 8-254. (1) In addition to the funds appropriated in part 1, upon receiving
3 approval from the state budget director, the department may receive and expend any federal
4 funds for the purpose for which they are received and are authorized under state law.

5 (2) If additional authorization is approved in sigma by the state budget office under
6 this section, the department shall notify the subcommittees and the senate and house fiscal
7 agencies within 10 days after the approval. The notification must include the amount and
8 funding source of the additional authorization, the date of its approval, and the projected
9 use of the funds to be expended.

10 (3) The total amount of funds that is authorized to be received and expended under
11 this section cannot exceed 1% of part 1 appropriations.

12 Sec. 8-263. (1) Except as provided in this subsection, before submission of a waiver,
13 state plan amendment, or similar proposal to CMS or another federal agency, the department
14 shall notify the standard report recipients of the planned submission. This subsection does
15 not apply to the submission of a waiver, state plan amendment, or similar proposal that
16 does not propose a material change or is outside of the ordinary course of a waiver, state
17 plan amendment, or similar proposal.

18 (2) On a semiannual basis, the department shall submit, to the standard report
19 recipients, a report that summarizes the status of any new or ongoing discussions with CMS,
20 the United States Department of Health and Human Services, or another federal agency
21 regarding any potential or future waiver applications and the status of any submitted
22 waivers that have not yet received federal approval. If there is not a reportable item at
23 the time that a semiannual report is due, a report is not required.

24 Sec. 8-270. The department shall advise the legislature of the receipt of a
25 notification from the attorney general's office of a legal action in which expenses had
26 been recovered under section 10b of the social welfare act, 1939 PA 280, MCL 400.610b. If
27 applicable, not later than February 1 of the current fiscal year, the department shall
28 submit, to the standard report recipients, a report that includes, but is not limited to,
29 all of the following:

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

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

32 (c) Details on the disposition of the funds recovered, such as the appropriation or

1 revenue account in which the money was deposited.

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

3 Sec. 8-274. On the day that is 1 week after the day that the governor submits the
4 executive budget proposal for the ensuing fiscal year to the legislature, the department,
5 in collaboration with the state budget office, shall submit, to the standard report
6 recipients, a report on spending and revenue projections for each of the capped federal
7 funds listed in this subsection. The report must contain actual spending and revenue in the
8 previous fiscal year, spending and revenue projections for the current fiscal year as
9 enacted, and spending and revenue projections in the executive budget proposal for the
10 immediately ensuing fiscal year for each individual line item for the department budget.
11 The report must also include federal funds transferred to other departments. The capped
12 federal funds include, but are not limited to, all of the following:

13 (a) TANF.

14 (b) Title XX social services block grant.

15 (c) Title IV-B subpart I child welfare services block grant.

16 (d) Title IV-B subpart II promoting safe and stable families funds.

17 (e) Low-income home energy assistance program

18 Sec. 8-275. (1) On a quarterly basis, the department, with the approval of the state
19 budget director, is authorized to realign sources between other federal, TANF, and capped
20 federal financing authorizations to maximize federal revenues. The realignment of financing
21 must not produce any of the following:

22 (a) A gross increase or decrease in the department's total individual line item
23 authorizations.

24 (b) A net increase or decrease in total federal revenues.

25 (c) A net increase in TANF authorization.

26 (2) On a quarterly basis, the department shall submit, to the standard report
27 recipients, a report on the realignment of federal fund sources transacted to date in the
28 current fiscal year under subsection (1), including the dates, line items, and amounts of
29 the transactions. If, at the time a quarterly report is due, a transaction was not made
30 under subsection (1), a report is not required.

31 (3) Not later than 30 days after the date on which year-end book closing is
32 completed, the department shall submit, to the standard report recipients, a report on the

1 realignment of federal fund sources that took place as part of the year-end closing process
2 for the previous fiscal year.

3 Sec. 8-287. (1) The department may accept monetary and nonmonetary gifts, bequests,
4 donations, contributions, or grants from any private or public source to support, in whole
5 or in part, a departmental function or program. The department shall expend or use such
6 gifts, bequests, donations, contributions, or grants for the purposes designated by the
7 private or public source, if the purpose is specified.

8 (2) In the demonstration projects line item, private revenue collected by the
9 department and amounts remaining in the fund under this section that are unexpended and
10 unencumbered must not lapse to the general fund but must be carried forward to the
11 subsequent fiscal year.

12 Sec. 8-290. Any public advertisement for public assistance must inform the public of
13 the welfare fraud hotline operated by the department.

14 Sec. 8-295. Not later than April 1 of the current fiscal year, the department shall
15 submit, to the standard report recipients, a report on funds appropriated for the healthy
16 moms, healthy babies initiative. The report must include the budgeted amount, year-to-date
17 expenditures, remaining balance of appropriations, and the percent of budget spent for each
18 appropriation related to the initiative. The report must also include information on how
19 the funds have assisted with meeting the goals and outcomes of the initiative.

20 Sec. 8-297. On a quarterly basis, the department or agency receiving appropriations
21 in part 1 shall report on the number of full-time equated positions in pay status by civil
22 service classification, including a comparison by line item of the number of full-time
23 equated positions authorized from funds appropriated in part 1 to the actual number of
24 full-time equated positions employed by the department at the end of the reporting period.
25 The report must be submitted to the senate and house appropriations committees and to the
26 standard report recipients.

27

28 **CHILD SUPPORT ENFORCEMENT**

29 Sec. 8-401. (1) The appropriations in part 1 assume a total federal child support
30 incentive payment of \$26,500,000.00.

31 (2) From the federal money received for child support incentive payments,
32 \$12,000,000.00 must be retained by this state and expended for child support program

1 expenses.

2 (3) From the federal money received for child support incentive payments,
3 \$14,500,000.00 must be paid to counties based on each county's performance level for each
4 of the performance measures under 45 CFR 305.2.

5 (4) If the child support incentive payment to this state from the federal government
6 is greater than \$26,500,000.00, then 100% of the amount in excess must be retained by this
7 state and is appropriated until the total retained by this state reaches \$15,397,400.00.

8 (5) If the child support incentive payment to this state from the federal government
9 is greater than the amount needed to satisfy subsections (1), (2), (3), and (4), the
10 additional funds are subject to appropriation by the legislature.

11 (6) If the child support incentive payment to this state from the federal government
12 is less than \$26,500,000.00, then the state share and the county share must each be reduced
13 by 50% of the shortfall.

14 Sec. 8-409. (1) If statewide retained child support collections exceed
15 \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal
16 support contracts. The excess appropriation may be distributed to eligible counties to
17 supplement, but not supplant, county title IV-D funding.

18 (2) Each county whose retained child support collections in the current fiscal year
19 exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset
20 and financial institution data match collections in both the current fiscal year and fiscal
21 year 2004-2005, shall receive its proportional share of the 75% excess appropriation.

22 Sec. 8-410. (1) If title IV-D-related child support collections are escheated, the
23 state budget director is authorized to adjust the sources of financing for the funds
24 appropriated in part 1 for legal support contracts to reduce federal authorization by 66%
25 of the escheated amount and increase general fund/general purpose authorization by the same
26 amount. The adjustment is required to offset the loss of federal revenue due to the
27 escheated amount being counted as title IV-D program income in accordance with 45 CFR
28 304.50.

29 (2) Not later than 30 days after an adjustment under subsection (1), the department
30 shall notify the standard report recipients of the adjustment.

31

32 **COMMUNITY SERVICES AND OUTREACH**

1 Sec. 8-453. (1) From the funds appropriated in part 1 for homeless programs, the
2 department shall allocate funds to the emergency shelter program to support efforts of
3 shelter providers to move homeless individuals and households into permanent housing as
4 quickly as possible. The funds must be equal to or exceed the amount that a provider would
5 receive if the provider is paid a \$19.00 per diem rate. Expected outcomes are increased
6 shelter discharges to stable housing destinations, decreased recidivism rates for shelter
7 clients, and a reduction in the average length of stay in emergency shelters.

8 (2) Not later than March 1 of the current fiscal year, the department shall submit,
9 to the standard report recipients, a report on the total amount expended for the emergency
10 shelter program in the prior 2 fiscal years, the total number of shelter nights provided,
11 and the average length of stay in an emergency shelter.

12 Sec. 8-454. The department shall allocate the full amount of funds appropriated in
13 part 1 for homeless programs to provide services for homeless individuals and families,
14 including, but not limited to, third-party contracts for emergency shelter services.

15 Sec. 8-455. As a condition of receipt of federal TANF revenue, after admitting a
16 family to a homeless shelter, the homeless shelter and human services agencies shall
17 collaborate with the department to obtain necessary TANF eligibility information on the
18 family as soon as possible. From the funds appropriated in part 1 for homeless programs,
19 the department is authorized to make allocations of TANF revenue only to the homeless
20 shelters and human services agencies that report necessary data to the department to meet
21 TANF eligibility reporting requirements. Homeless shelters or human services agencies that
22 do not report necessary data to the department to meet TANF eligibility reporting
23 requirements shall not receive reimbursements that exceed the per diem amount the homeless
24 shelters or human service agencies received in fiscal year 2000. The use of TANF revenue
25 under this section is not an ongoing commitment of funding.

26 Sec. 8-456. From the funds appropriated in part 1 for homeless programs, the
27 department shall allocate \$10,000.00 to reimburse public service agencies that provide
28 documentation of paying birth certificate fees on behalf of category 1 homeless clients at
29 county clerk's offices. Each public service agency must be reimbursed for the cost of the
30 birth certificate fees quarterly until the allocation is fully spent.

31 Sec. 8-457. From the funds appropriated in part 1 for homeless programs, the
32 department shall allocate \$8,500,000.00 of TANF revenue to support family shelters or

1 families who are homeless and at risk of being homeless. Funds appropriated under this
2 section must be used as follows:

3 (a) \$3,000,000.00 for emergency hotels for families experiencing homelessness.

4 (b) \$3,500,000.00 for assistance and supports to families engaged with child welfare.
5 This may include, but is not limited to, eviction diversion, first month's rent and
6 deposit, and utility arrears.

7 (c) \$2,000,000.00 for creating additional spaces at family homeless shelters that
8 have been in operation for at least 24 months.

9 Sec. 8-458. From the funds appropriated in part 1 for homeless programs, the
10 department shall require any entities receiving direct or indirect state funds to report
11 data to a Homeless Management Information System that satisfies the baseline data
12 collection requirements.

13 Sec. 8-459. From the funds appropriated in part 1 for homeless programs, the
14 department shall allocate \$2,000,000.00 of TANF revenue to acquire and develop for
15 individuals and families noncongregate shelter that utilizes options under a Housing First
16 model and prioritizes providing stable and permanent housing without preconditions or
17 requirements, such as sobriety or participation in treatment programs. Eligible uses for
18 this funding may include, but are not limited to, hotels, motels, dormitories, recuperative
19 care facilities, and other facilities that offer noncongregate shelter.

20 Sec. 8-460. From the funds appropriated in part 1 for kids' food basket, the
21 department shall allocate \$525,000.00 to fund a project with a nonprofit, community-based
22 organization organized under the laws of this state that is exempt from federal income tax
23 under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in
24 a city with a population between 185,000 and 200,000 and in a county with a population
25 between 600,000 and 700,000, according to the most recent federal decennial census. The
26 nonprofit organization recipient must have an existing network of food delivery to low-
27 income children in not less than 3 counties in this state. The nonprofit organization shall
28 use the funds to expand its services to additional schools and communities. The funding may
29 be used to cover employee costs, food and supplies, equipment, and other operational costs
30 identified by the organization to support its mission and goals.

31 Sec. 8-462. From the funds appropriated in part 1 for senior university, the
32 department shall allocate \$400,000.00 to a community action alliance located in a city with

1 a population over 500,000 according to the most recent federal decennial census to improve
2 connectivity and computer skills to seniors.

3 Sec. 8-463. From the funds appropriated in part 1 for runaway and homeless youth
4 grants and domestic violence prevention and treatment, the department is authorized to make
5 allocations of TANF revenue only to agencies that report necessary data to the department
6 to meet TANF eligibility reporting requirements.

7 Sec. 8-464. (1) From the funds appropriated in part 1 for diaper assistance grant,
8 the department shall allocate grants to diaper assistance programs, maternity homes, local
9 county offices, and other nonprofit agencies that distribute diapers free of charge and
10 were established as of January 1, 2020. The funds must be used only to purchase diapering
11 supplies and to cover related administrative costs. Not more than 15% of the funds
12 appropriated in part 1 are expendable for administrative purposes.

13 (2) Not later than March 1 of the current fiscal year, the department shall submit,
14 to the standard report recipients, a report on the distribution of diapering supplies that
15 includes, but is not limited to, the names and locations of the entities described in
16 subsection (1) that distribute diaper supplies and the total amount of diapering supplies
17 distributed to each entity.

18 Sec. 8-465. (1) From the funds appropriated in part 1 for community services and
19 outreach administration, \$2,950,000.00 must be distributed as provided in subsection (2).
20 Michigan 2-1-1 must continue to seek funding from local United Way organizations and other
21 nonprofit organizations and foundations.

22 (2) Funds distributed under subsection (1) must be distributed to Michigan 2-1-1, a
23 nonprofit corporation organized under the laws of this state that is exempt from federal
24 income tax under section 501(c) (3) of the internal revenue code of 1986, 26 USC 501, and
25 whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall
26 use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
27 January 2005.

28 (3) Michigan 2-1-1 shall refer any received calls that report fraud, waste, or abuse
29 of state-administered public assistance to the department.

30 (4) Michigan 2-1-1 shall submit, to the department, the senate and house of
31 representatives standing committees with primary jurisdiction over matters relating to
32 human services and telecommunications on 2-1-1 system performance, and the standard report

1 recipients, a report that includes, but is not limited to, call volume by health and human
2 service needs and unmet needs identified through caller data and number and the percentage
3 of callers referred to public or private provider types.

4 Sec. 8-466. Not later than March 1 of the current fiscal year, the department shall
5 submit to the standard report recipients a report on the runaway homeless youth program
6 that includes, but is not limited to, all of the following:

- 7 (a) A list of counties served and the amount of funding allocated to each county.
- 8 (b) The amount of funding being allocated to previously underserved communities and how
9 capacity has been expanded or is planned to be expanded in those communities.
- 10 (c) Identified barriers that have hindered providers from expanding capacity.

11

12 **CHILDREN'S SERVICE AGENCY - CHILD WELFARE**

13 Sec. 8-501. (1) A goal is established that not more than 25% of all children in
14 foster care at any given time during the current fiscal year, unless contrary to the best
15 interest of the child, will have been in foster care for 24 months or more.

16 (2) Not later than March 1 of the current fiscal year, the department shall submit,
17 to the standard report recipients, a report describing the steps that will be taken to
18 achieve the goal under subsection (1). The report must also include the following:

19 (a) An explanation of the most significant barriers that prevent long-term foster
20 children from permanent placements.

21 (b) The number of children currently in foster care for longer than 24 months and the
22 percentage of those children that had paid Medicaid behavioral health claims or encounters
23 within the last year.

24 Sec. 8-502. From the funds appropriated in part 1 for foster care, the department
25 shall reimburse Indian tribal governments for 50% of the foster care expenditures for
26 children who are under the jurisdiction of Indian tribal courts and are not otherwise
27 eligible for federal foster care cost sharing. However, the department may reimburse up to
28 100% of the foster care expenditures for an Indian tribal government that enters into a
29 state-tribal Title IV-E agreement allowed under this state's Title IV-E state plan.

30 Sec. 8-505. Not later than March 1 of the current fiscal year, the department shall
31 submit, to the standard report recipients, a report on youth referred or committed to the
32 department for care or supervision in the previous fiscal year that outlines the number of

1 youth served by the department in the juvenile justice system by the type of setting for
2 each youth.

3 Sec. 8-507. The department's ability to satisfy appropriation deductions in part 1
4 for foster care private collections is not limited to collections and accruals pertaining
5 to services provided only in the current fiscal year and may include revenues collected
6 during the current fiscal year for services provided in prior fiscal years.

7 Sec. 8-508. (1) In addition to the amount appropriated in part 1 for children trust
8 Michigan, money granted or money received as gifts or donations to the children's trust
9 fund created in 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

10 (2) For the funds described in subsection (1), the department shall ensure that
11 administrative delays are avoided and local grant recipients and direct service providers
12 receive money in an expeditious manner. The department and the state board as that term is
13 defined in section 2 of the child abuse and neglect prevention act, 1982 PA 250, MCL
14 722.601, shall make the children's trust fund contract funds available to grantees not
15 later than 31 days after the start date of the funded project.

16 Sec. 8-509. From the funds appropriated in part 1 for adoption support services, the
17 department shall maintain a rate structure that pays for cases based on the average length
18 of time it takes to reach adoption finalization by case characteristics for licensed child
19 placing agencies contracted with the department that provide adoption services for youth in
20 foster care.

21 Sec. 8-510. The department shall submit reports on a quarterly basis to the standard
22 report recipients on all of the following:

23 (a) The number of children pending placement in a residential setting by child caring
24 institution.

25 (b) The reasons for the denial of placements referred within the month, including,
26 but not limited to, facility bed shortages, placement process delays, facility hold, or
27 other reasons.

28 (c) The number of incentive payments that were awarded by the department by child
29 caring institution.

30 (d) The number of incentive payments that were denied by the department by child
31 caring institution.

32 (e) Of the denials identified in subdivision (d), the department shall provide the

1 rationale for denial of incentive payments including, but not limited to, refusal of
2 placement, lack of staffing, or other reasons.

3 Sec. 8-511. The department shall submit, to the standard report recipients and the
4 senate and house of representatives standing committees that cover subject matters dealing
5 with families and human services, reports on a semiannual basis that include the number and
6 percentage of children who received timely physical and mental health examinations after
7 entry into foster care. The goal of the program is for not less than 85% of children to
8 have an initial medical and mental health examination that is not later than 30 days after
9 entry into foster care.

10 Sec. 8-512. (1) From the funds appropriated in part 1 for foster care payments, the
11 department shall allocate \$500,000.00 of TANF revenue to provide luggage to a child who is
12 being removed from the child's home or changing placement and is a TANF eligible
13 individual. The luggage provided under this section is considered to belong to the child
14 and may not be confiscated by the department or the child's foster parent. The department
15 is not required to provide new luggage under this section to a child who is changing
16 placement and has had luggage previously provided by the department.

17 (2) The department may partner with local charities to establish and maintain the
18 supply of luggage to be used to transport a child's personal belongings. Additionally, the
19 department may accept donations of luggage to fulfill the requirements of this section.

20 (3) As used in this section, "luggage" means any of the following:

- 21 (a) A suitcase of any size.
- 22 (b) A duffel bag that holds at least 30 liters.

23 Sec. 8-513. (1) The department shall not expend funds appropriated in part 1 to pay
24 for the department's direct placement of a child in an out-of-state facility unless all of
25 the following conditions are met:

- 26 (a) An appropriate placement is not available in this state, as determined by the
27 department's interstate compact office.
- 28 (b) An out-of-state placement exists that is nearer to the child's home than the
29 closest appropriate in-state placement, as determined by the department's interstate
30 compact office.
- 31 (c) The out-of-state facility meets all of the licensing standards for a comparable
32 facility in this state.

1 (d) The out-of-state facility meets all of the applicable licensing standards of the
2 state in which it is located.

3 (e) The department has visited the site of the out-of-state facility; has reviewed
4 the facility records, licensing records, and reports; and believes that the facility is an
5 appropriate placement for the child.

6 (2) The department shall not expend money for a child placed in an out-of-state
7 facility without approval of the executive director of the children's services agency.

8 (3) Not later than March 1 of the current fiscal year, the department shall submit,
9 to the state court administrative office and the standard report recipients, a report on
10 the number of Michigan children residing in out-of-state facilities in the previous fiscal
11 year, the total cost and average per diem cost of the out-of-state placements to this
12 state, a list of each out-of-state placement arranged by the Michigan county of residence
13 for each child, and a list of out-of-state facilities that were visited by the department
14 before the child's placement.

15 Sec. 8-514. (1) From the funds appropriated in part 1 for foster care payments, the
16 department shall maintain a statewide respite care services network available to licensed
17 foster parents and unlicensed relative caregivers that care for children in foster care.

18 (2) Not later than March 1 of the current fiscal year, the department shall submit,
19 to the standard report recipients, a report on the total number of licensed foster parents
20 and unlicensed relative caregivers that were provided respite services, the average amount
21 of respite time per month, and the total amount of funding spent on respite services during
22 the previous fiscal year.

23 Sec. 8-515. If a children's protective services caseworker requests approval for
24 another children's protective services caseworker or other department employee to accompany
25 the caseworker on a home visit because the caseworker believes that it would be unsafe to
26 conduct the home visit alone, the department shall not deny the request.

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 child care fund - indirect cost
2 allotment, the department shall allocate \$3,500,000.00 to counties and tribal governments
3 that receive 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 youth 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 youth 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 MI Family Together
9 program. The report must include both of the following:

10 (a) Utilization and outcome data based on families served.

11 (b) For each program, information on any innovations or expansions that may increase
12 child safety and reduce risk.

13 Sec. 8-524. As a condition of receiving funds appropriated in part 1 for strong
14 families/safe children, not later than October 1 of the current fiscal year, counties shall
15 submit the service spending plan to the department for approval. Not later than 30 calendar
16 days after receipt of a properly completed service spending plan, the department shall
17 approve the service spending plan.

18 Sec. 8-525. The department shall maintain the same on-site evaluation processes for
19 privately operated child welfare and juvenile justice residential facilities as is used to
20 evaluate state-operated facilities. Penalties for noncompliance must be the same for
21 privately operated child welfare and juvenile justice residential facilities and state-
22 operated facilities.

23 Sec. 8-526. From the funds appropriated in part 1 for court-appointed special
24 advocates, the department shall allocate \$2,250,000.00 to fund a project with a nonprofit,
25 community-based organization organized under the laws of this state that is exempt from
26 federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC
27 501, located in a charter township with a population between 18,000 and 19,000 that is
28 located in a county with a population between 600,000 and 700,000, according to the most
29 recent federal decennial census. The nonprofit organization recipient must have an existing
30 network of affiliate programs operating in not less than 25 counties in this state. The
31 recipient nonprofit organization shall use the funds to recruit, screen, train, and
32 supervise volunteers who provide advocacy services on behalf of abused and neglected

1 children.

2 Sec. 8-528. From the funds appropriated in part 1 for child care fund, the department
3 shall allocate \$3,730,300.00 to support the annual basic grant to counties with a
4 population of less than 75,000, according to the most recent federal decennial census, and
5 as described in section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, and to
6 eligible tribal entities. The basic grant must be \$56,520.00 to eligible counties and
7 tribal entities.

8 Sec. 8-529. From the funds appropriated in part 1 for family preservation programs,
9 the department shall maintain the total combined funding levels of the MI Family Together
10 program at an amount not less than the amount provided as of September 30, 2021.

11 Sec. 8-530. (1) All master contracts relating to foster care and adoption services as
12 funded by the appropriations in section 105 of part 1 must be performance-based contracts
13 that employ a client-centered and results-oriented process that is based on measurable
14 performance indicators and desired outcomes and includes an annual assessment of the
15 quality of services provided.

16 (2) Not later than February 1 of the current fiscal year, the department shall
17 submit, to the standard report recipients, a report detailing measurable performance
18 indicators, desired outcomes, and an assessment of the quality of services provided by the
19 department during the previous fiscal year.

20 Sec. 8-534. Not later than March 1 of the current fiscal year, the department shall
21 submit, to the standard report recipients, a report on the adoption subsidies expenditures
22 from the previous fiscal year. The report must include, but is not limited to, the range of
23 non-\$0.00 annual adoption support subsidy amounts, for both Title IV-E eligible cases and
24 state-funded cases, paid to adoptive families; the number of Title IV-E and state-funded
25 cases; the number of cases in which an adoption support subsidy request by an adoptive
26 parent was denied by the department; and the number of adoptive parents who requested a
27 renegotiation of their adoption support subsidy contract.

28 Sec. 8-537. Not later than March 1 of the current fiscal year, the department shall
29 submit, to the standard report recipients, a report on the following information for cases
30 of child abuse or child neglect from the previous fiscal year:

31 (a) The total number of relative care placements.

32 (b) The total number of relative care placements into unlicensed relative homes.

1 (c) The total number of relative care placements into licensed relative homes.

2 (d) The total number of unlicensed relative providers with a relative placement that
3 were denied a foster home license due to not meeting the standards established for foster
4 care licensing in this state.

5 (e) From a sample of cases, a list of the reasons documented by the department for
6 denial of relative foster home licensure.

7 (f) For licensed or approved relative caregivers with placements, the status of Title
8 IV-E claims for foster care maintenance payments and foster care administrative payments.

9 Sec. 8-540. If a physician or psychiatrist who is providing services to a state or
10 court ward placed in a residential facility submits a formal request to the department to
11 change the psychotropic medication for a ward, the department shall, if the ward is a state
12 ward, make a determination on the proposed change not later than 7 business days after the
13 request or, if the ward is a temporary court ward, seek parental consent not later than 7
14 business days after the request. If the determination or parental consent is not provided
15 by the seventh business day, the department shall petition the court for the determination
16 or consent on the eighth business day.

17 Sec. 8-546. (1) From the funds appropriated in part 1 for foster care payments and
18 from child care fund, the department shall pay an administrative rate before incentive
19 payments of not less than \$60.20 to providers of general foster care, independent living,
20 and trial reunification services unless the contractor fails to:

21 (a) Ensure children placed in foster care are provided visitation sessions with
22 siblings placed elsewhere at least 85 percent of the time in accordance with state policy,
23 or

24 (b) Ensure children receive face-to-face visits from their caseworker not less than
25 95 percent of the time in accordance with state policy. In the event the criteria in
26 subsection (a) or (b) are not met, the administrative rate shall be paid at a rate of
27 \$54.18 until the standards in subsection (a) or (b) are met at which time the rate shall
28 return to \$60.20.

29 (2) From the funds appropriated in part 1, the department shall pay providers of
30 independent living plus services per diem statewide rates for staff-supported housing at a
31 rate of \$252.30 and host-home housing at a rate of \$119.95. The independent living plus
32 program provides staff-supported housing and services for foster youth 16 years of age to

1 19 years of age who, because of their individual needs and assessments, are not initially
2 appropriate for general independent living foster care.

3 (3) If required by the federal government to meet Title IV-E requirements, on a
4 quarterly basis, providers of foster care services shall submit a report on expenditures to
5 the department to identify actual costs of providing foster care services.

6 Sec. 8-547. (1) From the funds appropriated in part 1 for the guardianship assistance
7 program, the department shall pay a minimum rate that is not less than the approved age-
8 appropriate payment rates for youth placed in family foster care.

9 (2) The department shall submit, to the standard report recipients, a report that
10 includes quarterly data on the number of children enrolled in the guardianship assistance
11 and foster care - children with serious emotional disturbance waiver programs.

12 Sec. 8-550. (1) The department shall not offset against reimbursements to counties or
13 seek reimbursement from counties for charges that were received by the department more than
14 12 months before the department seeks to offset against reimbursement. A county shall not
15 request reimbursement, and reimbursements must not be paid, for a charge that is more than
16 12 months after the date of service or original status determination when initially
17 submitted by the county.

18 (2) Not later than 12 months after a date of service, a service provider shall submit
19 a request for payment. A request for payment submitted later than 12 months after the date
20 of service requires the provider to submit an exception request to the county or the
21 department for approval or denial.

22 (3) A county is not subject to any offset, chargeback, or reimbursement liability for
23 a prior expenditure resulting from an error in a foster care fund source determination.

24 Sec. 8-552. Sixty days after a county's child care fund review is completed,
25 including the receipt of all requested documentation from the county, the department shall
26 provide the results of the review to the county. In the review, the department shall not
27 evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services
28 provided to youth by the county's child care fund programs. The department shall not
29 release the results of a county's child care fund review to a third party without the
30 permission of the county.

31 Sec. 8-554. From the funds appropriated in part 1 for foster care payments, the
32 department shall allocate \$50,000.00 to a nonprofit organization organized under the laws

1 of this state that is exempt from federal income tax under section 501(c)(3) of the
2 internal revenue code of 1986, 26 USC 501 operates on a 100% volunteer basis with a board
3 of directors consisting of not more than 15 members; is a dedicated community of
4 individuals that give their time, talent, and resources to provide the best quality
5 shopping environment that they can to local children in need; and provides clothing, shoes,
6 toys, linens, nursery furniture, strollers, car seats, school supplies, hygiene products,
7 and safety equipment to local foster children and their families free of charge.

8 Sec. 8-557. If a vehicle that is owned by the state is available and not scheduled
9 for use by other state workers, the department may consider a children's protective
10 services caseworker or a foster care caseworker driving the vehicle to a foster home visit
11 or driving the vehicle to the caseworker's own home as an allowable use of the vehicle if
12 the driving would be helpful to the caseworker in conducting the caseworker's work.

13 Sec. 8-559. (1) From the funds appropriated in part 1 for adoption support services,
14 not later than December 1 of the current fiscal year, the department shall allocate
15 \$500,000.00 to a grant recipient to operate and expand its adoptive parent mentor program
16 to provide a listening ear, knowledgeable guidance, and community connections to adoptive
17 parents and children who were adopted in this state or another state.

18 (2) Not later than March 1 of the current fiscal year, the grant recipient shall
19 submit, to the standard report recipients, a report on the program described in subsection
20 (1), including, but not limited to, the number of cases served and the number of cases in
21 which the program prevented an out-of-home placement.

22 Sec. 8-562. If a foster parent transports a foster child to parent-child visitation,
23 the department shall reimburse the foster parent for the foster parent's time and travel.
24 As part of the foster care parent contract, the department shall provide written
25 confirmation to foster parents that states that the foster parents have the right to
26 request reimbursement for all parent-child visitations. Not later than 60 days after
27 receiving a request from a foster parent for eligible reimbursement, the department shall
28 provide the reimbursement.

29 Sec. 8-564. (1) The department shall maintain a clear policy for parent-child
30 visitations. All of the following individuals shall meet an 85% success rate, after
31 accounting for factors outside of caseworker control:

32 (a) Caseworkers and supervisors of local county offices.

1 (b) Caseworkers and supervisors of child placing agencies.

2 (2) In accordance with the court-ordered number of required meetings between
3 caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after
4 accounting for factors outside of caseworker control.

5 (3) Not later than March 1 of the current fiscal year, the department shall submit,
6 to the standard report recipients, a report on the following:

7 (a) The percentage of success rates for parent-child visitations and court-ordered
8 required meetings under subsections (1) and (2) for the previous fiscal year.

9 (b) The barriers to achieve the success rates described in subsections (1) and (2)
10 and how this information is tracked.

11 Sec. 8-568. (1) The department shall ensure each youth transitioning out of foster
12 care is given assistance with obtaining a driver license or state identification card and
13 is issued a copy of the youth's Social Security number, as required by department policy.
14 Assistance must be provided to each youth who is eligible to obtain a driver license or
15 state identification card and, based on the youth's citizenship and legal residency status,
16 a Social Security card.

17 (2) Not later than April 1 of the current fiscal year, the department shall submit,
18 to the standard report recipients, a report on the number of youth who obtained a driver
19 license or state identification card, the number of youth who obtained a Social Security
20 card, and the number of youth who were eligible but did not receive a driver license, state
21 identification card, or Social Security card and an explanation as to why the youth did not
22 receive the documents.

23 Sec. 8-574. (1) From the funds appropriated in part 1 for foster care payments,
24 \$1,375,000.00 is allocated to support family incentive grants to private and community-
25 based foster care service providers and relative caregivers for assistance with home
26 improvements to alleviate safety concerns or obtain items needed to ensure compliance with
27 licensing rule requirements and to accommodate children in foster care.

28 (2) Not later than March 1 of the current fiscal year, the department shall submit,
29 to the standard report recipients, a report on the total amount expended in the previous
30 year for grants to private and community-based foster care service providers for home
31 improvements or physical exams described in subsection (1) and the number of grants issued.

32 Sec. 8-575. From the funds appropriated in part 1 for children's services

1 administration, the department shall allocate at least \$200,000.00 to provide support and
2 coordinated services to the kinship caregiver advisory council. The responsibilities of the
3 council may include all of the following:

4 (a) Establishing a public awareness campaign to educate the public about kinship
5 caregivers and this state's efforts to better serve kinship caregivers.

6 (b) Consulting and coordinating with the kinship caregiver navigator program to
7 collect aggregate data on individuals being served by the kinship caregiver navigator
8 program, including information on what services the individuals need.

9 (c) Consulting and collaborating with the provider of the kinship caregiver navigator
10 program on the design and administration of the program.

11 (d) Establishing, maintaining, and updating a list of local support groups and
12 programs that provide services to kinship families and, in order to obtain a better
13 understanding of the issues facing kinship families, devising a plan of action for engaging
14 with the groups and programs on the list.

15 (e) Developing methods to promote and improve collaboration between state, county,
16 and local governments and agencies and private stakeholders for all of the following
17 reasons:

18 (i) To obtain a broad understanding of the characteristics and prevalence of kinship
19 caregiving.

20 (ii) To improve service delivery.

21 (iii) To include the methods in the council's recommendations.

22 Sec. 8-578. From the funds appropriated in part 1 for foster care payments, the
23 department shall allocate Title IV-E passthrough funds for educational programs to
24 strengthen this state's child welfare workforce. The department shall enter into
25 contractual arrangements with one or more state universities to provide bachelor of social
26 work and master of social work educational training, including field placements and
27 stipends for tuition and educational expenses. In exchange, students completing eligible
28 educational programs are contractually obligated to work for Michigan child welfare
29 agencies for a minimum of 4 months for every semester they receive the stipend. The
30 matching funds for the Title IV-E funds must be provided by the participating state
31 universities from the expenses incurred for training child welfare students who participate
32 in the program.

1 Sec. 8-581. From the funds appropriated in part 1 for foster care payments, the
2 department shall allocate at least \$50,000.00 for caseworkers to provide immediate
3 assistance with urgent needs, including, but not limited to, food, clothing, and other
4 basic necessities, for children, including children who are victims of human trafficking,
5 on the children's removal from the children's homes or other dangerous environments.

6 Sec. 8-583. Not later than March 1 of the current fiscal year, the department shall
7 submit to the standard report recipients and the senate and house of representatives
8 standing committees that cover subject matters dealing with families and human services, a
9 report that includes all of the following:

10 (a) The number and percentage of foster parents that closed their license in the
11 previous fiscal year, the reasons the foster parents left, and how the figures compare to
12 the figures for prior fiscal years.

13 (b) The number and percentage of foster parents successfully retained in the previous
14 fiscal year and how the figures compare to the figures for prior fiscal years.

15 (c) The number and percentage of licensed foster homes that closed their license
16 because they adopted their foster child based on survey data from foster parents closing
17 their licenses.

18 Sec. 8-585. Each month, the department shall make available at least 1 pre-service
19 training class in which new caseworkers for private foster care and adoption agencies can
20 enroll.

21 Sec. 8-588. (1) Concurrently with public release, the department shall transmit,
22 without revision, all reports from the court-appointed settlement monitor, including, but
23 not limited to, the needs assessment and period outcome reporting, to the standard report
24 recipients.

25 (2) Not later than October 1 of the current fiscal year, the department shall submit,
26 to the standard report recipients, a detailed plan that addresses the status and progress
27 toward exiting the settlement by September 30 of the current fiscal year. The report must
28 include an update on the department's child welfare initiative.

29 Sec. 8-589. (1) From the funds appropriated in part 1 for child care fund, the
30 department shall pay 100% of the administrative rate for all new cases referred to
31 providers of foster care services.

32 (2) On a quarterly basis, the department shall submit a report, to the standard

1 report recipients, on the monthly number of all foster care cases administered by the
2 department and all foster care cases administered by private providers.

3 Sec. 8-592. On a quarterly basis, the department shall submit, to the chairs of the
4 senate and house of representatives standing oversight committees and the standard report
5 recipients, a report that includes data from children's protective services staff for each
6 of the following for the most recent quarter before the applicable report is submitted:

7 (a) The percent of investigations commenced in 24 hours immediately after receiving a
8 report.

9 (b) The percent of central registry reviews performed for required individuals.

10 (c) The percent of face-to-face contacts made within the established timeframe
11 required by the department.

12 (d) In appropriate cases, the percent of sibling placement evaluations completed when
13 1 or more children remain in the home after a child has been removed.

14 (e) The percent of supervisory reviews performed in a timely manner.

15 (f) The results of a department survey of children's protective services
16 investigators on the number of investigators who are concerned for their own personal
17 safety.

18 (g) The percent of investigators using the mobile application or another tool to
19 document compliance.

20 Sec. 8-593. The department shall conduct an annual review in each county to determine
21 if the county has adopted and implemented standard child abuse and child neglect
22 investigation and interview protocols under section 8(6) of the child protection law, 1975
23 PA 238, MCL 722.628.

24 Sec. 8-594. From the funds appropriated in part 1 for foster care payments, the
25 department shall support regional resource teams to provide for the recruitment, retention,
26 and training of foster and adoptive parents and shall expand the Michigan youth
27 opportunities initiative to all counties of this state. The purpose of the funding is to
28 increase the number of annual inquiries from prospective foster parents, increase the
29 number of nonrelative foster homes that achieve licensure each year, increase the annual
30 retention rate of nonrelative foster homes, reduce the number of older foster youth placed
31 outside of family settings, and provide older youth with enhanced support in transitioning
32 to adulthood.

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PUBLIC ASSISTANCE

Sec. 8-601. After a client agrees to the release of the client's name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring must be terminated if the local housing authority indicates in writing that the unit does not meet local housing codes and until the local housing authority indicates in writing that the local housing codes have been met.

Sec. 8-602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time in a 1-year period.

Sec. 8-604. (1) From the funds appropriated in part 1 for state disability assistance payments, the department shall operate a state disability assistance program. Except as provided in subsection (3), to be eligible for the program, an individual must be a needy citizen of the United States or alien exempted from the SSI citizenship requirement who is not less than 18 years of age, or an emancipated minor, and meets 1 or more of the following requirements:

(a) Is a recipient of SSI, Social Security, or medical assistance due to disability or being 65 years of age or older.

(b) Is an individual with a physical or mental impairment that meets federal SSI disability standards, except that the minimum duration of the disability must be 90 days. Substance use disorder alone is not a basis for eligibility.

(c) Is a resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

(d) Is an individual receiving 30-day postresidential substance use disorder treatment.

(e) Is an individual diagnosed as having AIDS.

(f) Is an individual receiving special education services through a local intermediate school district.

(g) Is a caretaker of a disabled individual who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) An applicant for or recipient of state disability assistance is considered needy

1 if the applicant or recipient does both of the following:

2 (a) Meets the same asset test as is applied for the family independence program.

3 (b) Has a monthly budgetable income that is less than the payment standards.

4 (3) Except for an individual described in subsection (1)(c) or (d), an individual is
5 not disabled under this section if the individual's drug addiction or alcoholism is a
6 contributing factor material to the determination of disability.

7 (4) As used in this section:

8 (a) "Material to the determination of disability" means that, if the individual
9 stopped using drugs or alcohol, the individual's remaining physical or mental limitations
10 would not be disabling. If the individual's remaining physical or mental limitations would
11 be disabling, then the drug addiction or alcoholism is not material to the determination of
12 disability and the individual may receive state disability assistance, but the individual
13 must actively participate in a substance abuse treatment program, and the assistance must
14 be paid to a third party or through vendor payments.

15 (b) "Substance abuse treatment" includes receipt of inpatient or outpatient services
16 or participation in Alcoholics Anonymous or a similar program.

17 Sec. 8-605. The level of reimbursement provided to state disability assistance
18 recipients in licensed adult foster care facilities must be the same as the prevailing SSI
19 rate under the personal care category.

20 Sec. 8-606. County department offices shall require each recipient of family
21 independence program and state disability assistance who has applied with the Social
22 Security Administration for SSI to sign a contract to repay any assistance rendered through
23 the family independence program or state disability assistance program on receipt of
24 retroactive SSI benefits.

25 Sec. 8-607. (1) The department's ability to satisfy appropriation deductions in part
26 1 for state disability assistance/supplemental security income recoveries and public
27 assistance recoupment revenues is not limited to recoveries and accruals pertaining to
28 state disability assistance, or family independence program grant payments provided only in
29 the current fiscal year and may include revenues collected during the current year that are
30 prior-year-related and not a part of the department's accrued entries.

31 (2) The department may use SSI recoveries to satisfy the deduct in any line in which
32 the revenues are appropriated, regardless of the source from which the revenue is

1 recovered.

2 Sec. 8-608. An adult foster care facility that provides domiciliary care or personal
3 care to a resident receiving SSI or a home for the aged serving a resident receiving SSI
4 shall not require a resident described in this section to reimburse the home for the aged
5 or adult foster care facility for care at a rate in excess of a rate that is authorized by
6 the legislature. To the extent permitted by federal law, an adult foster care facility and
7 home for the aged that serves a resident receiving SSI is not prohibited from accepting a
8 third-party payment in addition to SSI if the payment is not for food, clothing, or
9 shelter, or would result in a reduction in the resident's SSI payment.

10 Sec. 8-609. The department shall not reduce the state supplementation level under the
11 SSI program for the personal care/adult foster care and home for the aged categories during
12 the current fiscal year. Not later than 30 days before a proposed reduction in the state
13 supplementation level, the department shall notify the legislature of the proposed
14 reduction.

15 Sec. 8-610. (1) The department shall grant an exemption from the good-cause criteria
16 for the state emergency relief program if an emergency results from an unexpected expense
17 related to maintaining or securing employment.

18 (2) In determining housing affordability eligibility for state emergency relief, a
19 group is considered to have sufficient income to meet ongoing housing expenses if the
20 group's total housing obligation does not exceed 75% of the group's total net income.

21 (3) The department shall not make a state emergency relief payment to an individual
22 who has been found guilty of fraud in obtaining public assistance.

23 (4) The department shall not make a state emergency relief payment to an individual
24 who is an out-of-state or nonlegal resident.

25 (5) The department shall distribute a state emergency relief payment for rent
26 assistance directly to a landlord and shall not add the payment to a Michigan bridge card.

27 Sec. 8-611. The state supplementation level under the SSI program for the living
28 independently category or living in the household of another category must not exceed the
29 minimum state supplementation level as required under federal law.

30 Sec. 8-613. (1) From the funds appropriated in part 1 for indigent burial, the
31 department shall provide a reimbursement for the final disposition of an indigent
32 individual. A reimbursement under this section must comply with all of the following:

- 1 (a) The maximum allowable reimbursement for the final disposition is \$960.00.
- 2 (b) The adult burial with services allowance is \$875.00.
- 3 (c) The adult burial without services allowance is \$610.00.
- 4 (d) The infant burial allowance is \$240.00.
- 5 (e) The adult cremation with services allowance is \$640.00.
- 6 (f) The adult cremation without services allowance is \$390.00.
- 7 (g) The maximum allowable reimbursement if an irrevocable funeral agreement exists is
- 8 \$260.00.

9 (2) The department shall reimburse up to \$80.00 for a cremation permit fee and for
10 mileage at the standard rate for an eligible cremation. A reimbursement under this
11 subsection must take into consideration whether an indigent individual's religious
12 preference prohibits cremation.

13 (3) An application for burial services must be made no later than 20 business days
14 after the burial, cremation, or donation takes place. A friend or relative of the indigent
15 individual may supplement the burial payment in any amount up to \$6,000.00 for additional
16 services. A funeral director, with written authorization provided by a relative of the
17 indigent individual, is deemed an authorized representative for burial benefits.

18 (4) By January 31 of the current fiscal year, the department shall submit a report to
19 the standard report recipients on burial service payments issued from the state emergency
20 relief program during the previous fiscal year. The report must include the number of
21 applicants denied and the number of payments by the following burial service categories:

- 22 (a) Fetus or infant less than 1 month of age.
- 23 (b) Burial with memorial service.
- 24 (c) Burial without memorial service.
- 25 (d) Cremation with memorial service.
- 26 (e) Cremation without memorial service.
- 27 (f) Transportation of a donated or unclaimed body being cremated.
- 28 (g) Cremation permit fee for an unclaimed body.
- 29 (h) Disposition of an unclaimed body.
- 30 (i) Payment if an irrevocable funeral agreement exists.
- 31 (j) An unclaimed body received by a university.

32 Sec. 8-614. By January 15 of the current fiscal year, the department shall submit a

1 report to the standard report recipients on the number and percentage of state disability
2 assistance recipients who were determined to be eligible for federal SSI benefits in the
3 previous fiscal year.

4 Sec. 8-615. Except as required by federal law, the department shall not use funds
5 appropriated in part 1 to provide public assistance to an individual who is not a United
6 States citizen, permanent resident alien, or refugee. This section does not prohibit the
7 department from entering into a contract with a food bank, emergency shelter provider, or
8 another human service agency that may, as a normal part of doing business, provide food or
9 emergency shelter.

10 Sec. 8-616. The department shall require a retailer that participates in the
11 electronic benefits transfer program to charge no more than a \$2.50 fee for cash back as a
12 condition of participation.

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 a semiannual 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 State Bar of Michigan.
5 The purpose of the grant is to assist current or potential recipients of state disability
6 assistance who have applied for or wish to apply for SSI or other federal disability
7 benefits. The State Bar of Michigan shall provide a list of newly eligible SSI recipients
8 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 Michigan agricultural surplus
2 system, the department shall allocate \$12,045,000.00 for procuring and distributing the
3 Michigan agricultural surplus system to distribute surplus produce to low-income residents
4 of this 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. 8-672. (1) By February 15 of the current fiscal year, the department's office of
10 inspector general shall submit a report to the standard report recipients on the
11 department's efforts to reduce the inappropriate use of Michigan bridge cards and food
12 assistance program trafficking. The department shall provide information on the number of
13 recipients of services who used their Michigan bridge card inappropriately and the current
14 status of each case, the number of recipients whose benefits were permanently and
15 temporarily revoked as a result of inappropriately using their Michigan bridge cards, and
16 the number of retailers that were fined or removed from the electronic benefit transfer
17 program for permitting the inappropriate use of Michigan bridge cards. The report must also
18 include the number of Michigan bridge card trafficking instances and overall welfare fraud
19 referrals, that includes, but is not limited to, information on the number of
20 investigations completed, fraud and intentional program violation dollar amounts
21 identified, the number of referrals to prosecutors, the number of administrative hearing
22 referrals and waivers, and the number of program disqualifications imposed. The report must
23 distinguish between savings and cost avoidance. As used in this subsection:

24 (a) "Cost avoidance" includes expenditures avoided due to front-end eligibility
25 investigations and other preemptive actions undertaken in the prevention of fraud.

26 (b) "Savings" includes receivables established from instances of fraud committed.

27 (2) If a fourth Michigan bridge card has been issued to a household in a 12-month
28 period, the department shall notify the household that the household has reached the number
29 of issued cards threshold. At a household's fifth and each subsequent card replacement
30 request, a card will not be issued until a recipient from the household has spoken directly
31 to the local office district manager or county director. The district manager or county
32 director may issue a new Michigan bridge card based on the district manager's or county

1 director's assessment of the recipient's situation and the recipient's explanation.

2 (3) As used in this section:

3 (a) "Food assistance trafficking" means the buying and selling of food assistance
4 benefits for cash or items not authorized under 7 USC 2036b.

5 (b) "Inappropriate use" means not used to meet a family's ongoing basic needs,
6 including, but not limited to, food, clothing, shelter, utilities, household goods,
7 personal care items, and general incidentals.

8 Sec. 8-677. (1) The department shall establish a state goal for the percentage of
9 family independence program cases involved in employment activities. The percentage
10 established must not be less than 50%. The goal for long-term employment must be 15% of
11 cases for 6 months or more.

12 (2) The department shall submit an annual report, providing quarterly data, to the
13 standard report recipients on the number of cases referred to PATH, the current percentage
14 of family independence program cases involved in PATH employment activities, an estimate of
15 the current percentage of family independence program cases that meet federal work
16 participation requirements on the whole, and an estimate of the current percentage of the
17 family independence program cases that meet federal work participation requirements for
18 those cases referred to PATH.

19 (3) The department shall submit a report to the standard report recipients. The
20 report must include quarterly data on all of the following:

21 (a) The number and percentage of nonexempt family independence program recipients who
22 are employed.

23 (b) The average and range of wages of employed family independence program
24 recipients.

25 (c) The number and percentage of employed family independence program recipients who
26 remain employed for 6 months or more.

27 Sec. 8-678. (1) From the funds appropriated in part 1 for family independence program
28 - child supplemental payment, the department shall allocate up to \$16,240,100.00 of TANF
29 revenue to provide a supplemental payment for the current fiscal year for each child under
30 6 years of age within a family receiving cash assistance. Not later than January 31 of the
31 current fiscal year, the department shall distribute an equal payment based on the funds
32 available in part 1 and the total number of children under 6 years of age who are within a

1 family receiving cash assistance.

2 (2) From the funds appropriated in part 1 for family independence program - child
3 supplemental payment, the department shall allocate up to \$7,000,000.00 of TANF revenue to
4 provide a supplemental payment for the current fiscal year for each child 6 years of age or
5 older but under 14 years of age within a family receiving cash assistance. Not later than
6 January 31 of the current fiscal year, the department shall distribute an equal payment
7 based on the funds available in part 1 and the total number of children who are 6 years of
8 age or older but under 14 years of age within a family receiving cash assistance.

9 (3) By April 1 of the current fiscal year, the department shall submit a report to
10 the standard report recipients on the amount of funding distributed under this section and
11 shall include the number of family independence program cases, the number of family
12 independence program eligible children by age group, and the amount of funding distributed
13 by age category.

14 Sec. 8-686. (1) The department shall confirm that an individual who presents a
15 personal identification issued by another state and is seeking assistance through the
16 family independence program, food assistance program, state disability assistance program
17 or medical assistance program is not receiving benefits from another state.

18 (2) The department shall confirm the address provided by an individual who is seeking
19 family independence program benefits or state disability assistance benefits.

20 (3) The department shall prohibit an individual who has property assets assessed at a
21 value higher than \$200,000.00 from receiving assistance through a department-administered
22 program, unless prohibiting assistance would violate a federal law or guideline.

23 (4) The department shall make a reasonable attempt to obtain an up-to-date telephone
24 number for an individual seeking medical assistance benefits during the eligibility
25 determination or redetermination process for the individual.

26 Sec. 8-687. (1) On a quarterly basis, the department shall compile and make available
27 a report on its website that contains all of the following information about the family
28 independence program, state disability assistance, the food assistance program, indigent
29 burial, Medicaid, and state emergency relief:

30 (a) The number of applications received.

31 (b) The number of applications approved.

32 (c) The number of applications denied.

1 (d) The number of applications pending and neither approved nor denied.

2 (e) The number of cases opened.

3 (f) The number of cases closed.

4 (g) The number of cases at the beginning of the quarter and the number of cases at
5 the end of the quarter.

6 (2) The department shall compile and make the information provided under subsection
7 (1) available for this state as a whole and for each county and shall report the
8 information separately for each program listed in subsection (1).

9 (3) On a quarterly basis, the department shall compile and make available a report on
10 its website of the following family independence program information:

11 (a) The number of new applicants who successfully met the requirements of the 10-day
12 assessment period for PATH.

13 (b) The number of new applicants who did not meet the requirements of the 10-day
14 assessment period for PATH.

15 (c) The number of cases sanctioned because of a school truancy policy.

16 (d) The number of cases closed because of the lifetime limits.

17 (e) The number of first-, second-, and third-time sanctions.

18 (f) The number of children 0 to 5 years of age who are living in a family
19 independence program-sanctioned Household.

20 Sec. 8-689. (1) From the funds appropriated in part 1 for prenatal and infant support
21 program, the department shall allocate \$20,000,000.00 of TANF revenue for programs that are
22 intended to improve the economic stability of households with very young children.

23 (2) In allocating the funds referenced in subsection (1), the department shall give
24 preference to programs that demonstrate the following:

25 (a) Effectiveness in improving the economic stability of households with pregnant
26 women at a minimum of 20 weeks gestation, and with young children.

27 (b) Partnerships with local health care providers and nonprofit human service
28 agencies that provide for improved maternal and infant health outcomes.

29 (c) Compliance with TANF requirements established by the Administration for Children
30 and Families within the United States Department of Health and Human Services.

31 (3) By September 30 of the current fiscal year, the department, through agreements
32 with contracted implementing agencies, shall report to the standard report recipients

1 information for the previous fiscal year on the aggregated demographic data of all program
2 recipients regardless of underlying funding source. The report must include, but not be
3 limited to, aggregated recipient data from contracted implementing agencies with each
4 contracted implementing agency providing the age, race, ethnicity, Hispanic or Latino
5 origin, federal poverty level, funding source, and zip codes of all program recipients.
6

7 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

8 Sec. 8-702. Not later than December 1 of the current fiscal year, the department
9 shall submit a report to the standard report recipients on all of the following for the
10 prior fiscal year:

11 (a) The average daily population by month of youth residing at state-run juvenile
12 justice facilities.

13 (b) The total number of beds at each facility, separated by staffed and unstaffed,
14 for each month.

15 (c) The average daily number of available beds by month.

16 (d) The average number of staff vacancies by month.

17 (e) The data in (a) through (d) must be separated by each facility.

18 Sec. 8-706. A county is subject to a 50% chargeback for the use of an alternative
19 regional detention service, if the detention service does not fall under the basic grant
20 provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a
21 county operates the detention service program primarily with professional rather than
22 volunteer staff.

23 Sec. 8-707. To be reimbursed for child care fund expenditures, a county shall submit
24 to the department the report required under section 117a(11) of the social welfare act,
25 1939 PA 280, MCL 400.117a, to enable the department to document a potential federally
26 claimable expenditure.

27 Sec. 8-708. (1) As a condition of receiving funds appropriated in part 1 for the
28 child care fund line item, by October 15 of the current fiscal year, a county shall have an
29 approved service spending plan for the current fiscal year. Not later than August 15 of the
30 current fiscal year, a county shall submit the county's service spending plan for the
31 following fiscal year to the department for approval. The department shall approve a
32 county's service spending plan not later than 30 calendar days after the department

1 receives a properly completed service spending plan from the county that complies with the
2 requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department
3 shall notify and submit revisions to a service spending plan to a county whose service
4 spending plan is not approved after initial submission. The department shall not request
5 any additional revisions to a county's service spending plan outside of the requested
6 revision notification submitted to the county by the department. The department shall
7 notify a county that its service spending plan is approved not later than 30 days after the
8 department considers the county's revisions to the county's service spending plan.

9 (2) A county shall submit an amendment to its county service spending plan for the
10 current fiscal year to the department not later than August 30 of the current fiscal year.
11 A county shall submit payable estimates for the current fiscal year to the department not
12 later than September 15 of the current fiscal year.

13 Sec. 8-709. The department's master contract for juvenile justice residential foster
14 care services must prohibit a contractor from denying a referral for placing a youth, or
15 terminating a youth's placement, if the youth's assessed treatment needs are in alignment
16 with the facility's residential program type, as identified by a court or the department.
17 The master contract must also require that a youth placed in a juvenile justice residential
18 foster care facility receives regularly scheduled treatment sessions with a licensed
19 clinician or therapist and has access to the licensed psychologist or a psychiatrist, or
20 both, as clinically indicated.

21

22 **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

23 Sec. 8-801. The department shall submit a quarterly report that contains monthly data
24 to the standard report recipients on the most recent food assistance program error rate
25 derived from the active cases, reported to the United States Department of Agriculture Food
26 and Nutrition Service for the supplemental nutrition assistance program.

27 Sec. 8-802. From the funds appropriated in part 1 for local office staff travel, the
28 department shall allocate up to \$100,000.00 annually toward reimbursing the out-of-pocket
29 costs of county board members and county department directors to attend statewide meetings
30 of the Michigan County Social Services Association.

31 Sec. 8-807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE
32 contract, the department shall allocate not less than \$450,000.00 to the Elder Law of

1 Michigan MiCAFE to assist this state's elderly population in participating in the food
2 assistance program. Of the \$450,000.00 allocated under this section, the department shall
3 use \$225,000.00 of general fund/general purpose revenue as state matching funds to receive
4 not less than \$225,000.00 in funding from the United States Department of Agriculture to
5 provide outreach program activities as part of a statewide food assistance hotline. The
6 outreach program activities may include eligibility screening and information services.

7 Sec. 8-825. (1) From the funds appropriated in part 1, the department shall provide
8 an individual with not more than \$2,000.00 for vehicle repairs, including a repair done in
9 the previous 12 months. The \$2,000.00 limit described in this section includes the combined
10 total of payments made by the department and the work participation program.

11 (2) By February 1 of the current fiscal year, the department shall submit a report to
12 the standard report recipients that details the total amount of funding distributed and the
13 total number of payments made for vehicle repairs.

14 Sec. 8-826. (1) From the funds appropriated in part 1 for local office policy and
15 administration, not less than \$300,000.00 is allocated for the department to contract with
16 the Prosecuting Attorneys Association of Michigan to provide the support and services
17 necessary to increase the capability of this state's prosecutors, adult protective service
18 system, and criminal justice system to effectively identify, investigate, and prosecute
19 elder abuse and financial exploitation.

20 (2) Not later than March 1 of the current fiscal year, the Prosecuting Attorneys
21 Association of Michigan shall submit a report to the department on the efficacy of the
22 contract. The department shall submit the report to the standard report recipients not
23 later than 30 days after the department receives the report from the Prosecuting Attorneys
24 Association of Michigan.

25 Sec. 8-850. (1) The department shall maintain each out-stationed eligibility
26 specialist in a community-based organization, community mental health agency, nursing home,
27 adult placement and independent living setting, FQHC, and hospital, unless the community-
28 based organization, community mental health agency, nursing home, adult placement and
29 independent living setting, FQHC, or hospital requests to discontinue the positions at its
30 facility.

31 (2) From the funds appropriated in part 1 for donated funds positions, the department
32 shall enter into a contract with any agency that is able and eligible under federal law to

1 provide the required matching funds for federal funding, as determined by federal law.

2 (3) A contract for a donated funds position for assistance payments must include, but
3 not be limited to, performance metrics on both of the following topics:

4 (a) Meeting a standard of promptness for processing an application for Medicaid and
5 other public assistance programs under the law of this state.

6 (b) Meeting required standards for error rates in determining programmatic
7 eligibility, as determined by the department.

8 (4) The department shall fill an additional donated funds position only after a new
9 contract has been signed with an agency. The position must be abolished when the contract
10 expires or is terminated.

11 (5) The department shall classify as a limited-term FTE a new employee who is hired
12 to fill a donated funds position contract or is hired to fill a vacancy from an employee
13 who transferred to a donated funds position.

14 (6) By March 1 of the current fiscal year, the department shall submit a report to
15 the standard report recipients detailing information on the donated funds positions. The
16 report must include, but is not limited to, the total number of occupied positions, the
17 total private contribution of the positions, and the total cost to this state for a
18 nonsalary expenditure for the donated funds position employees.

19

20 **DISABILITY DETERMINATION SERVICES**

21 Sec. 8-890. From the funds appropriated in part 1 for disability determination
22 services, the department shall maintain the unit rates in effect on September 30, 2019 for
23 medical consultants performing disability determination services, including physicians,
24 psychologists, and speech-language pathologists.

25

26 **BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

27 Sec. 8-901. The department shall use the funds appropriated in part 1 to support a
28 system of comprehensive community mental health services under the full authority and
29 responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA
30 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and
31 all other applicable federal law and the law of this state.

32 Sec. 8-902. (1) From the funds appropriated in part 1, the department shall make a

1 final authorization to a CMHSP or PIHP on the execution of a contract between the
2 department and the CMHSP or PIHP. The contract must contain an approved plan and budget and
3 any policy and procedure governing the obligations and responsibilities of each party to
4 the contract. Each contract with a CMHSP or PIHP that the department is authorized to enter
5 into under this subsection must include a provision that the contract is not valid unless
6 the total dollar obligation for all of the contracts between the department and the CMHSPs
7 or PIHPs entered into under this subsection for the current fiscal year does not exceed the
8 amount of money appropriated in part 1 for the contracts authorized under this subsection.

9 (2) The department shall immediately submit a report to the standard report
10 recipients if either of the following occurs:

11 (a) The department enters into a new contract with a CMHSP or PIHP that would affect
12 a rate or expenditure.

13 (b) The department amends a contract that the department has entered into with a
14 CMHSP or PIHP that would affect a rate or expenditure.

15 (3) The report required by subsection (2) must include information about any changes
16 to the contract and the change's effects on rates and expenditures.

17 Sec. 8-904. (1) Not later than September 30 of the current fiscal year, the
18 department shall provide a report on the CMHSPs, PIHPs, and designated regional entities
19 for substance use disorder prevention and treatment to the standard report recipients that
20 includes the information required by this section.

21 (2) The report required under subsection (1) must contain, unless otherwise noted,
22 information for each CMHSP and PIHP and a statewide summary, as follows:

23 (a) A statewide summary of the demographic description of service recipients that,
24 minimally, includes reimbursement eligibility, client population group, age, ethnicity,
25 housing arrangements, and diagnosis.

26 (b) Per capita expenditures in total and by client population group.

27 (c) A statewide summary of Medicaid-funded cost information for the 3 diagnosis
28 groups of adults with a mental illness, children with a serious emotional disturbance, and
29 individuals with an intellectual or developmental disability. The statewide summary must,
30 minimally, include expenditures by service category for each of the 3 diagnosis groups
31 described in this subdivision and cases, units, and cost of each specific service code
32 index or health care common procedure coding system code for each of the 3 diagnosis

1 groups.

2 (d) Financial information on non-Medicaid mental health services by general fund cost
3 reporting category.

4 (e) Lapses and carryforwards during the previous fiscal year for each CMHSP, PIHP,
5 and designated regional entity for substance use disorder prevention and treatment.

6 (f) Performance indicator information required to be submitted to the department in
7 the contracts with each PIHP.

8 (g) Administrative expenditures of each CMHSP and PIHP that include a breakout of the
9 salary, benefits, and pension of each executive-level staff, which includes, but is not
10 limited to, the director, chief executive, and chief operating officer.

11 (3) The report required under subsection (1) must contain the following information
12 from the previous fiscal year on substance use disorder prevention, education, and
13 treatment programs:

14 (a) A statewide summary of the demographic description of service recipients that,
15 minimally, must include reimbursement eligibility, primary substance of abuse, age,
16 ethnicity, housing arrangements, and sex at birth.

17 (b) The expenditures stratified by department-designated regional entities for
18 substance use disorder prevention and treatment, by fund source, by subcontractor, by
19 population served, and by service type.

20 (c) The expenditures per state client, with data on the distribution of expenditures
21 reported using a histogram approach.

22 (d) The number of services provided by subcontractor and by service type.
23 Additionally, data on length of stay, referral source, and participation in other state
24 programs.

25 (e) The collections from other first- or third-party payers, private donations, or
26 other state or local programs, by department-designated regional entities for substance use
27 disorder prevention and treatment, by subcontractor, by population served, and by service
28 type.

29 (f) Information about access to CMHSPs, PIHPs, and designated regional entities for
30 substance use disorder prevention and treatment that includes, but is not limited to, the
31 following:

32 (i) The number of individuals receiving requested services.

1 (ii) The number of individuals who requested services but did not receive services.

2 (4) The department shall include the data reporting requirements described in
3 subsections (2) and (3) in the department's annual contract with each CMHSP, PIHP, and
4 designated regional entity for substance use disorder prevention and treatment.

5 (5) The department shall take all reasonable actions to ensure that the data required
6 are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for
7 substance use disorder prevention and treatment.

8 Sec. 8-907. (1) The department shall expend the amount appropriated in part 1 for
9 community substance use disorder prevention, education, and treatment to coordinate care
10 and services provided to individuals with severe and persistent mental illness and
11 substance use disorder diagnoses.

12 (2) Each managing entity shall continue current efforts to collaborate on the
13 delivery of services to clients with mental illness and substance use disorder diagnoses,
14 with the goal of providing services in an administratively efficient manner.

15 Sec. 8-909. From the funds appropriated in part 1 for health homes, the department
16 shall use available revenue from the marihuana regulatory fund established in section 604
17 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
18 physical health, expand access to substance use disorder prevention and treatment services,
19 and strengthen the existing prevention, treatment, and recovery systems.

20 Sec. 8-910. The department shall ensure that substance use disorder treatment is
21 provided to applicants and recipients of public assistance through the department who are
22 required to obtain substance use disorder treatment as a condition of eligibility for
23 public assistance.

24 Sec. 8-911. (1) The department shall ensure that a contract with a CMHSP or PIHP
25 requires the CMHSP or PIHP to implement programs to encourage the diversion of individuals
26 with a serious mental illness, serious emotional disturbance, or developmental disability
27 from possible jail incarceration, when appropriate.

28 (2) Each CMHSP or PIHP shall have jail diversion services and shall work toward
29 establishing working relationships with representative staff of local law enforcement
30 agencies, including county prosecutors' offices, county sheriffs' offices, county jails,
31 municipal police agencies, municipal detention facilities, and the courts. Written
32 interagency agreements describing what services each participating agency is prepared to

1 commit to the local jail diversion effort and the procedures to be used by local law
2 enforcement agencies to access mental health jail diversion services are strongly
3 encouraged.

4 Sec. 8-914. Not later than June 1 of the current fiscal year, the department shall
5 submit a report to the standard report recipients on outcomes of the funds provided in part
6 1 to the Michigan Clinical Consultation and Care program (MC3). The outcomes reported must
7 include, but are not limited to, the number of same-day telephone consultations with
8 primary care providers and the number of local resource recommendations made to primary
9 care providers who are providing medical care to patients who need behavioral health
10 services.

11 Sec. 8-915. From the funds appropriated in part 1 for community substance use
12 disorder prevention, education, and treatment and opioid response activities, the
13 department shall, to the extent possible, provide grants, pursuant to federal law, to local
14 public entities that provide substance use disorder services and to 1 private entity that
15 has a statewide contract to provide community-based substance use disorder services.

16 Sec. 8-916. From the funds appropriated in part 1 for behavioral health program
17 administration, the department shall allocate \$100,000.00 as a grant to a nonprofit mental
18 health clinic located in a county with a population between 290,000 and 300,000 according
19 to the most recent federal decennial census that provides counseling services, accepts
20 clients regardless of their ability to pay for services through sliding scale copayments
21 and volunteer services, and uses fundraising to support their clinic.

22 Sec. 8-917. From the funds appropriated in part 1 for opioid response activities, the
23 department shall allocate \$55,000,000.00 from the Michigan opioid healing and recovery fund
24 created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to
25 programs and services to address the opioid crisis in a manner consistent with the opioid
26 judgement, settlement, or compromise of claims pertaining to violations, or alleged
27 violations, of law related to the manufacture, marketing, distribution, dispensing, or sale
28 of opioids. The funds must be allocated as follows:

29 (a) \$10,000,000 must be allocated for primary prevention activities, including:

30 (i) \$6,000,000 for supporting out of school programming that prevents substance use
31 among teenagers and young adults.

32 (ii) \$1,000,000 for funding for public health communications and outreach to educate

1 and provide tools to parents to increase knowledge about the impact of substance use and
2 available resources.

3 (iii) \$3,000,000 for reducing the risks of multi-generational addiction and family
4 separations through family substance use supports and youth programming.

5 (b) \$16,500,000 must be allocated for harm reduction, including:

6 (i) \$11,500,000 to continue reducing overdose deaths and preventing infectious
7 disease spread in communities most impacted by substance use through harm reduction agency
8 service expansion.

9 (ii) \$5,000,000 to continue distributing naloxone through community organizations,
10 health systems, first responders, and directly to individuals across the state to prevent
11 fatal overdoses.

12 (c) \$7,000,000 must be allocated to substance use disorder treatment, including:

13 (i) \$6,000,000 for improving access to quality substance use disorder care providers
14 through workforce development programming.

15 (ii) \$1,000,000 to support expanding jail treatment services throughout the state.

16 (d) \$15,000,000 must be allocated for recovery investments, including

17 (i) \$11,000,000 to improve Michigan's ability to provide supportive community
18 services that help encourage individuals to achieve and sustain recovery through recovery
19 community organizations.

20 (ii) \$4,000,000 to support housing, transportation, benefits navigation assistance
21 for people in recovery.

22 (e) \$6,500,000 must be allocated for informed decision-making and evaluation of
23 investments, including:

24 (i) \$2,500,000 in oversight and grants management to promote good government,
25 transparency, and accountability.

26 (ii) \$2,000,000 for data to inform investments and evaluate progress.

27 (iii) \$2,000,000 to invest in Tribal communities and partnerships.

28 Sec. 8-918. On a quarterly basis, providing monthly data, the department shall submit
29 a report to the standard report recipients on the amount of funding paid to PIHPs to
30 support the Medicaid managed mental health care program. The report must include
31 information on the total paid to each PIHP, per capita rate paid for each eligibility group
32 for each PIHP, the number of cases in each eligibility group for each PIHP, and a year-to-

1 date summary of eligibles and expenditures for the Medicaid managed mental health care
2 program.

3 Sec. 8-924. From the funds appropriated in part 1, for the purposes of actuarially
4 sound rate certification and approval for Medicaid behavioral health managed care programs,
5 the department shall maintain a minimum fee schedule of not less than \$66.00 per hour for
6 behavioral technicians providing autism services that are reimbursed under CPT code 97153.

7 Sec. 8-926. (1) From the funds appropriated in part 1 for community substance use
8 disorder prevention, education, and treatment, \$1,000,000.00 is allocated for a specialized
9 substance use disorder detoxification project administered by a 9-1-1 service district in
10 conjunction with a substance use and case management provider. The project must be located
11 at a hospital within a 9-1-1 service district with at least 600,000 residents and 15 member
12 communities and that is located within a county with a population of at least 1,500,000
13 according to the most recent federal decennial census.

14 (2) The substance use and case management provider receiving funds under this section
15 shall collect and submit to the department data on the outcomes of the project throughout
16 the duration of the project and the department shall submit a report on the project's
17 outcomes to the standard report recipients.

18 Sec. 8-928. (1) Each PIHP shall provide, from the PIHP's internal resources, local
19 funds to be used as a part of the state match required under the Medicaid program in order
20 to increase capitation rates for PIHPs. The local funds must not include either of the
21 following:

22 (a) State funds received by a CMHSP for services provided to non-Medicaid recipients.

23 (b) The state matching portion of the Medicaid capitation payments made to a PIHP.

24 (2) Not later than April 1 of the current fiscal year, the department shall report to
25 the standard report recipients on the lapse by PIHP from the previous fiscal year and the
26 projected lapse by PIHP in the current fiscal year.

27 Sec. 8-929. From the funds appropriated in part 1 for Michigan Clinical Consultation
28 and Care, the department shall allocate at least \$325,000.00 to address needs in a city in
29 which a declaration of emergency was issued because of drinking water contamination.

30 Sec. 8-935. A county required under the mental health code, 1974 PA 258, MCL 330.1001
31 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to
32 residents in the county's jurisdiction shall pay the matching funds in equal installments

1 on not less than a quarterly basis throughout the fiscal year, with the first payment being
2 made by October 1 of the current fiscal year.

3 Sec. 8-940. (1) In accordance with section 236 of the mental health code, 1974 PA
4 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify any
5 CMHSP with a projected allocation surplus and to identify any CMHSP with a projected
6 allocation shortfall. The department shall encourage the board of a CMHSP with a projected
7 allocation surplus to concur with the department's recommendation to reallocate the
8 projected surplus to a CMHSP with a projected allocation shortfall.

9 (2) A CMHSP that has its projected surplus reallocated during the current fiscal year
10 as described in subsection (1) is not eligible for an additional funding reallocation
11 during the remainder of the current fiscal year, unless the CMHSP is responding to a public
12 health emergency as determined by the department.

13 (3) A CMHSP shall report to the department on a proposed reallocation described in
14 this section at least 30 days before the reallocation takes effect.

15 (4) The department shall notify the chairs of the appropriation subcommittees on the
16 department budget when a request is made and when the department grants approval for a
17 reallocation described in subsection (1). Not later than February 1 of the current fiscal
18 year, the department shall submit a report on the amount of funding reallocated in the
19 previous fiscal year to the standard report recipients.

20 Sec. 8-942. A CMHSP shall provide at least 30 days' notice before reducing,
21 terminating, or suspending a service provided by the CMHSP to a CMHSP client, unless the
22 service is authorized by a physician and the service no longer meets established criteria
23 for medical necessity.

24 Sec. 8-960. (1) From the funds appropriated in part 1 for autism services, the
25 department shall continue to cover all Medicaid autism services to Medicaid enrollees
26 eligible for the services that were covered on January 1, 2019.

27 (2) To restrain cost increases in the autism services line item, the department shall
28 do all of the following:

29 (a) Require consultation with the client's evaluation diagnostician and PIHP to
30 approve the client's ongoing therapy for 3 years, unless the client's evaluation
31 diagnostician recommended an evaluation before the 3 years or if a clinician on the
32 treatment team recommended an evaluation for the client before the third year.

1 (b) Limit the authority to perform a diagnostic evaluation for Medicaid autism
2 services to qualified licensed practitioners as determined by the department.

3 (c) Allow and expand the utilization of telemedicine and telepsychiatry to increase
4 access to diagnostic evaluation services.

5 (d) Coordinate with the department of insurance and financial services on oversight
6 for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction
7 equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services,
8 to ensure appropriate cost sharing between public and private payers.

9 (e) Require that Medicaid eligibility be confirmed through prior evaluations
10 conducted by qualified licensed practitioners as determined by the department.

11 (f) Maintain regular statewide provider trainings on autism spectrum disorder
12 standard clinical best practice guidelines for treatment and diagnostic services.

13 (3) By March 1 of the current fiscal year, the department shall submit a report to
14 the standard report recipients on total autism services spending broken down by PIHP and
15 CMHSP for the previous fiscal year and current fiscal year and total administrative costs
16 broken down by PIHP, CMHSP, and the type of administrative cost for the previous fiscal
17 year and current fiscal year.

18 Sec. 8-962. For special projects involving high-need children or adults, including
19 the not guilty by reason of insanity population, the department may contract directly with
20 providers of services to the children and adults described in this section.

21 Sec. 8-972. From the funds appropriated in part 1 for behavioral health program
22 administration, the department shall allocate not less than \$9,386,400.00 of general
23 fund/general purpose revenue and any associated federal match or federal grant funding,
24 including, but not limited to, associated federal 988 grant funding for the mental health
25 telephone access line known as the Michigan crisis and access line (MiCAL), to provide for
26 both of the following in accordance with section 165 of the mental health code, 1974 PA
27 258, MCL 330.1165:

28 (a) Primary coverage in a region where a regional national suicide prevention
29 lifeline center does not provide coverage.

30 (b) Statewide secondary coverage.

31 Sec. 8-974. The department and a PIHP shall allow an individual with an intellectual
32 or developmental disability who receives supports and services from a CMHSP to instead

1 receive supports and services from another provider if the individual is eligible and
2 qualified to receive supports and services from another provider. Other providers may
3 include, but are not limited to, MIChoice and PACE.

4 Sec. 8-978. From the funds appropriated in part 1 for community substance use
5 disorder prevention, education, and treatment and recovery community organizations, the
6 department shall allocate \$1,200,000.00 as grants for recovery community organizations in
7 accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b. A grant
8 must be used to offer or expand recovery support center services or recovery community
9 center services to individuals seeking long-term recovery from substance use disorders.

10 Sec. 8-995. (1) From the funds appropriated in part 1 for mental health diversion
11 council, the department shall allocate \$3,850,000.00 to continue to implement the jail
12 diversion programs that are intended to address the recommendations of the mental health
13 diversion council.

14 (2) Not later than March 1 of the current fiscal year, the department shall submit a
15 report to the standard report recipients on the planned allocation of the funds
16 appropriated for the mental health diversion council.

17 (3) As used in this section, "mental health diversion council" means the council as
18 that term is defined in section 207e of the mental health code, 1974 PA 258, MCL 330.1207e.

19 Sec. 8-996. From the funds appropriated in part 1 for family support subsidy, the
20 department shall make monthly payments of \$300.36 to a parent or legal guardian of a child
21 approved for the family support subsidy by a CMHSP.

22 Sec. 8-997. The department shall use population data from the most recent federal
23 data from the United States Census Bureau in determining the distribution of substance use
24 disorder block grant funds.

25 Sec. 8-998. If the department decides to use census data to distribute state general
26 funds to CMHSPs, the department shall use the most recent federal data from the United
27 States Census Bureau.

28

29 **BEHAVIORAL HEALTH SERVICES**

30 Sec. 8-1001. Not later than May 15 of the current fiscal year, each CMHSP shall
31 submit a report to the department that identifies populations being served by the CMHSP
32 broken down by program eligibility category. The report must also include the percentage of

1 the operational budget that is related to program eligibility enrollment. Not later than
2 June 30 of the current fiscal year, the department shall submit the reports described in
3 this section to the standard report recipients.

4 Sec. 8-1002. The funds appropriated in part 1 must not be used by the department to
5 expand the certified community behavioral health clinic demonstration.

6 Sec. 8-1005. (1) From the funds appropriated in part 1 for health homes, the
7 department shall maintain the number of behavioral health homes and maintain the number of
8 substance use disorder health homes, in place by PIHP region as of September 30 of the
9 previous fiscal year. The department may expand the number of behavioral health homes and
10 the number of substance use disorder health homes in a PIHP region added after October 1 of
11 the current fiscal year.

12 (2) On a semiannual basis, the department shall submit a report to the standard
13 report recipients on the number of individuals being served and expenditures incurred by
14 each PIHP region by site.

15 Sec. 8-1006. From the funds appropriated in part 1 for certified community behavioral
16 health clinics, the department shall submit the CCBHC cost efficiency evaluation to the
17 standard report recipients not later than 7 business days after the department's receipt of
18 the final information required from the relevant contractors.

19 Sec. 8-1008. (1) A PIHP and CMHSP shall do all of the following:

20 (a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible
21 functions are efficient in allowing optimal transition of dollars to the direct services
22 considered most effective in assisting individuals served. Any consolidation of
23 administrative functions must demonstrate, by independent analysis, a reduction in dollars
24 spent on administration resulting in greater dollars spent on direct services. Savings
25 resulting from increased efficiencies must not be applied to PIHP and CMHSP net assets,
26 internal service fund increases, building costs, increases in the number of PIHP and CMHSP
27 personnel, or other areas not directly related to the delivery of improved services.

28 (b) Take an active role in managing mental health care by ensuring consistent and
29 high-quality service delivery throughout its network and promote a conflict-free care
30 management environment.

31 (c) Ensure that direct service rate variances are related to the level of need or
32 other quantifiable measures to ensure that the most money possible reaches direct services.

1 (d) Whenever possible, promote fair and adequate direct care reimbursement,
2 including, but not limited to, fair wages for direct service workers.

3 (2) Not later than June 30 of the current fiscal year, the department shall submit a
4 report to the standard report recipients on any actual reduction of administrative costs
5 over the prior 2 fiscal years.

6 Sec. 8-1010. (1) The department shall use the funds appropriated in part 1 for
7 behavioral health community supports and services to reduce waiting lists at state-operated
8 hospitals and centers through cost-effective community-based and residential services,
9 including, but not limited to, assertive community treatment, forensic assertive community
10 treatment, crisis stabilization units in accordance with chapter 9A of the mental health
11 code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment
12 facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL
13 330.1137a.

14 (2) From the funds appropriated in part 1 for behavioral health community supports
15 and services, the department shall allocate \$30,450,000.00 to reimburse private providers
16 for intensive psychiatric treatments and services that are provided outside of state-
17 operated hospitals and centers and for support efforts related to overseeing community-
18 based programs placement.

19 (3) If a private provider has an existing wait list for intensive psychiatric
20 treatments and services, a reimbursement to the private provider under this section must
21 not be conditioned on the private provider giving wait-list priority to individuals placed
22 with funds appropriated in this section.

23 (4) Not later than March 1 of the current fiscal year, the department shall submit a
24 report to the standard report recipients on all of the following:

25 (a) The types of community supports and services purchased.

26 (b) The quantity, measured by days or other relevant unit of service, of each
27 community support and service purchased.

28 (c) The quantifiable impact of the purchase of community supports and services,
29 including the number of individuals served, the number of successful discharges, and the
30 number of re-escalations to either the discharging entity or a state psychiatric hospital.

31 Sec. 8-1014. (1) From the funds appropriated in part 1 to agencies providing physical
32 and behavioral health services to multicultural populations, the department shall award

1 grants in accordance with the requirements of subsections (2) and (3). This state is not
2 liable for any spending above the contract amount. The department shall not release funds
3 until reporting requirements under section 1014 of article 6 of 2024 PA 121 are satisfied.

4 (2) The department shall require each contractor described in subsection (1) that
5 receives greater than \$1,000,000.00 in state grant funding to comply with performance-
6 related metrics to maintain their eligibility for funding. The performance-related metrics
7 shall include, but not be limited to, all of the following:

8 (a) Each contractor or subcontractor shall have accreditations that attest to their
9 competency and effectiveness as behavioral health and social service agencies.

10 (b) Each contractor or subcontractor shall have a mission that is consistent with the
11 purpose of the multicultural agency.

12 (c) Each contractor shall validate that any subcontractors utilized within these
13 appropriations share the same mission as the lead agency receiving funding.

14 (d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

15 (e) Each contractor or subcontractor shall ensure their ability to leverage private
16 dollars to strengthen and maximize service provision.

17 (f) Each contractor or subcontractor shall provide timely and accurate reports
18 regarding the number of clients served, units of service provision, and ability to meet
19 their stated goals.

20 (3) The department shall require each contractor described in subsection (1) to
21 ensure that the funds appropriated in this section are only used on proven or established
22 programs.

23 (4) The department shall require an annual report from the contractors described in
24 subsection (2). The annual report, due 60 days following the end of the contract period,
25 must include specific information on services and programs provided, the client base to
26 which the services and programs were provided, information on any wraparound services
27 provided, and the expenditures for those services. Not later than February 1 of the current
28 fiscal year, the department must submit the annual reports to the standard report
29 recipients.

30 Sec. 8-1034. (1) PIHPs must verify, on a quarterly basis, to the department and to
31 the standard report recipients that every provider within the PIHP's provider network
32 receives not less than the applicable reimbursement rates or fees required in sections 924

1 and 231 of this part. The verification under this subsection must provide actual claims and
2 utilization data.

3 (2) The department shall seek CMS approval to exclude PIHPs that are not compliant with
4 subsection (1) from all performance incentives available to PIHPs.

5 (3) The department shall audit the claims and utilization data provided in this section. If
6 the department audit determines that a PIHP reimburses any provider within that PIHP's
7 provider network at a rate less than the applicable reimbursement rates or fees required in
8 sections 924 and 231 of this part, the department shall notify that PIHP that it is not
9 eligible for performance incentives funded in part 1. Not later than 10 days after a
10 notification to a PIHP under this subsection, the department shall notify the standard
11 report recipients that the PIHP is not eligible for performance incentives funded in part
12 1.

13

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

15 Sec. 8-1052. The department shall use gifts and bequests received for patient living
16 and treatment environments for additional private funds to provide specific enhancements
17 for individuals residing at state-operated facilities. The department shall use the gifts
18 and bequests consistent with the stipulation of the donor. The department shall use gift
19 and bequest donations within 3 years unless otherwise stipulated by the donor.

20 Sec. 8-1055. (1) The department shall not implement a closure or consolidation of a
21 state hospital, center, or agency, until each CMHSP or PIHP affected by the closure or
22 consolidation has programs and services in place for the individuals currently in the
23 hospital, center, or agency that is to be closed or consolidated, and has a plan for
24 providing services to the individuals who would have been admitted to the hospital, center,
25 or agency.

26 (2) A closure or consolidation is dependent on adequate department-approved CMHSP and
27 PIHP plans that include a discharge and aftercare plan for each individual currently in a
28 facility described in subsection (1). A discharge and aftercare plan must address an
29 individual's housing needs. A homeless shelter or similar temporary shelter arrangement is
30 inadequate to meet an individual's housing needs.

31 (3) Four months after a closure is certified under section 19(6) of the state
32 employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure

1 plan to the standard report recipients.

2 (4) On the closure of a hospital, center, or agency and after transitional costs have
3 been paid, the remaining balances of funds appropriated for the hospital, center, or agency
4 must be transferred to CMHSPs or PIHPs responsible for providing services for individuals
5 previously served by the hospital, center, or agency.

6 Sec. 8-1056. The department may collect revenue for patient reimbursement from first-
7 and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost
8 of patient placement in state hospitals and centers. The department may adjust financing
9 sources for patient reimbursement based on actual revenues earned. If the revenue collected
10 exceeds current year expenditures, the revenue may be carried forward with approval of the
11 state budget director. The department shall use the revenue carried forward as a first
12 source of funds in the subsequent year.

13 Sec. 8-1058. Effective October 1 of the current fiscal year, the department, in
14 consultation with the department of technology, management, and budget, may maintain a bid
15 process to identify 1 or more private contractors to provide food and custodial services
16 for the administrative areas at a state hospital identified by the department as capable of
17 generating savings through the outsourcing of food and custodial services.

18 Sec. 8-1059. (1) The department shall identify specific outcomes and performance
19 measures for state-operated hospitals and centers. Unless specified, the outcomes and
20 performance measures must be calculated on an average monthly basis from the previous
21 calendar year, as follows:

22 (a) The average wait time from the time of the receipt of a court order for the
23 treatment of an individual who is determined incompetent to stand trial until the
24 individual's admission to the center for forensic psychiatry or other state-operated
25 psychiatric hospital.

26 (b) The average number of individuals determined not guilty by reason of insanity by
27 an order of the court who, on the first day of each month, are waiting to receive admission
28 into the center for forensic psychiatry or other state-operated psychiatric 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 or center through the civil
31 admissions 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 or center through the civil
2 admissions process.

3 (e) The average wait time for an adult who is awaiting admission into another state-
4 operated hospital or center through the civil admissions process.

5 (f) The average wait time for a child who is awaiting admission into another state-
6 operated hospital or center 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 the court who have been determined to be ready
9 for discharge to the community, and the average wait time between being determined to be
10 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 court ordering the individual to be admitted into the
20 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 or center 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 or center through the civil admissions process.

25 (m) The number of individuals determined not guilty by reason of insanity by an order
26 of the court who were removed from the admissions waiting list and the reason for the
27 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 court and not admitted into the center for forensic psychiatry or other state-
4 operated hospital or center, and the rationale for the individual not being admitted.

5 (q) The number of adults not admitted into the other state-operated hospitals or
6 centers through the civil admissions process and the rationale for the individual not being
7 admitted.

8 (r) The number of children not admitted into a state-operated hospital or center
9 through the civil admission process and the rationale for the individual not being
10 admitted.

11 (2) Not later than April 1 of the current fiscal year, the department shall submit a
12 report to the standard report recipients of this part on the outcomes and performance
13 measures required under subsection (1).

14 Sec. 8-1060. Not later than March 1 of the current fiscal year, the department shall
15 submit a report on mandatory overtime, staff turnover, and staff retention at the state
16 psychiatric hospitals and centers to the standard report recipients. The report must
17 include, but is not limited to, the following:

18 (a) The number of direct care and clinical staff positions that are currently vacant
19 by hospital, and how that number compares to the number of vacancies during the previous
20 fiscal year.

21 (b) A breakdown of voluntary and mandatory overtime hours worked by position and by
22 hospital, and how that breakdown compares to the breakdown of voluntary and mandatory
23 overtime hours during the previous fiscal year.

24 (c) The ranges of wages paid by position and by hospital, and how the ranges of wages
25 paid compare to wages paid during the previous fiscal year.

26 Sec. 8-1063. (1) From the funds appropriated in part 1 for southeast Michigan state
27 psychiatric hospital, the department shall maintain a psychiatric transitional unit and
28 children's transition support team. The unit and support team described in this subsection
29 shall augment the continuum of behavioral health services for high-need youth and provide
30 additional continuity of care and transition into supportive community-based services.

31 (2) The outcome and performance measures for the unit and support team described in
32 subsection (1) include, but are not limited to, the following:

1 (a) The rate of rehospitalization for youth served through the unit or support team
2 at 30 and 180 days.

3 (b) The measured change in the Michigan Child and Adolescent Needs and Strengths tool
4 for youth and families served through the unit or support team.

5

6 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

7 Sec. 8-1140. From the funds appropriated in part 1 for primary care services,
8 \$400,000.00 is allocated to free health clinics operating in this state. The department
9 shall distribute the funds equally to each free health clinic. As used in this section,
10 "free health clinic" means a nonprofit organization that uses a volunteer health
11 professional to provide care to an uninsured individual.

12 Sec. 8-1143. From the funds appropriated in part 1 for primary care services, the
13 department shall allocate no less than \$675,000.00 for island primary health care access
14 and services including island clinics, in the following amounts:

15 (a) Beaver Island, \$250,000.00.

16 (b) Mackinac Island, \$250,000.00.

17 (c) Drummond Island, \$150,000.00.

18 (d) Bois Blanc Island, \$25,000.00

19 Sec. 8-1145. The department shall take steps necessary to work with the Indian Health
20 Service, tribal health program facilities, or Urban Indian Health Program facilities, that
21 provide services under a contract with a Medicaid managed care entity to ensure that the
22 facilities described in this section receive the maximum amount allowable under federal law
23 for Medicaid services.

24 Sec. 8-1146. From the funds appropriated in part 1 for domestic violence prevention
25 and treatment, the department shall allocate \$1,000,000.00 to support programs that serve
26 survivors of domestic violence, sexual violence, and human trafficking. The funds
27 appropriated in this section must be allocated in the following manner:

28 (a) \$500,000.00 must be used at the discretion of the Department to provide technical
29 assistance, training, and support to victim service organizations and must be allocated to
30 a nonprofit organization organized under the laws of this state that is exempt from federal
31 income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501. To be
32 eligible for funding under this subsection, the nonprofit organization must be a statewide

1 tribal domestic violence and sexual assault coalition serving the tribes located in this
2 state recognized as the tribal coalition in Michigan by the Federal Office of Violence
3 Against Women.

4 (b) \$500,000.00 must be allocated to a nonprofit organization organized under the
5 laws of this state that is exempt from federal income tax under section 501(c)(3) of the
6 internal revenue code of 1986, 26 USC 501 recognized as The Domestic and Sexual Violence
7 Coalition in Michigan by the Federal Office of Violence Against Women.

8 Sec. 8-1153. From the funds appropriated in part 1 for crime victim rights sustaining
9 grants, the department shall allocate \$102,600.00 of state general fund/general purpose
10 revenue for a sexual assault nurse examiners program at a hospital that is located in a
11 city with a population between 21,600 and 21,700 in a county with a population between
12 64,300 and 64,400, according to the most recent federal decennial census. The funds
13 allocated under this section must be used to support staff compensation and training,
14 victim needs, and community awareness, education, and prevention programs.

15 Sec. 8-1155. (1) From the funds appropriated in part 1 for the uniform statewide
16 sexual assault evidence kit tracking system, in accordance with the final report of the
17 Michigan sexual assault evidence kit tracking and reporting commission, the department
18 shall allocate \$369,500.00 for administering a uniform statewide sexual assault evidence
19 kit tracking system. The system must include all of the following:

20 (a) A uniform statewide system to track the submission and status of sexual assault
21 evidence kits.

22 (b) A uniform statewide system to audit untested kits that were collected on or
23 before March 1, 2015 and were released by victims to law enforcement.

24 (c) Secure electronic access for victims.

25 (d) The ability to accommodate concurrent data entry with kit collection through
26 mechanisms that include, but are not limited to, web entry through computers or
27 smartphones, and through scanning devices.

28 (2) The sexual assault evidence tracking fund established in section 1451 of 2017 PA
29 158 shall continue to be maintained in the department of treasury. Money in the sexual
30 assault evidence tracking fund at the close of a fiscal year remains in the sexual assault
31 evidence tracking fund, does not revert to the general fund, and is appropriated as
32 provided by law for the development and implementation of a uniform statewide sexual

1 assault evidence kit tracking system as described in subsection (1).

2 Sec. 8-1157. (1) From the funds appropriated in part 1 for child advocacy centers -
3 supplemental grants, the department shall allocate \$2,000,000.00 to provide additional
4 funding to child advocacy centers to support the general operations of child advocacy
5 centers. The department shall allocate the additional funding to each center according to
6 the formula under this section. The department shall set a formula in consultation with
7 children's advocacy centers of Michigan (CAC-MI) to allocate the additional funding. The
8 formula must include base funding for each program and factors, such as the number of
9 children in the service area, square miles of the service area, and prior service levels.
10 The purpose of the additional funding is to increase the amount of services provided to
11 children and their families who are victims of abuse over the amount provided in the
12 previous fiscal year.

13 (2) Not later than March 1 of the current fiscal year, the department shall submit to
14 the standard report recipients a report on the distribution of child advocacy center -
15 supplemental grants funding from the previous fiscal year. The report must include the
16 amount allocated to each specific child advocacy center or other community-based child
17 protection entity, including, but not limited to, child abuse councils.

18 Sec. 8-1158. From the funds appropriated in part 1 for crime victim rights sustaining
19 grants, the department shall allocate \$29,897,400.00 to supplement the loss of federal
20 victims of crime act and state crime victim rights funding. The department must distribute
21 the funds consistent with the regular allocation formula for crime victim justice grants
22 and crime victim rights services grants.

23 Sec. 8-1160. Not later than March 1 of the current fiscal year, the department shall
24 submit to the standard report recipients a report on the distribution of crime victim
25 rights justice assistance grants, crime victim rights services grants, and crime victim
26 rights sustaining grants from the previous fiscal year. The report must include the amount
27 allocated to nonprofit agencies for crime victim services listed by agency and the amount
28 of funding that the department has used for administrative purposes.

29

30 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

31 Sec. 8-1180. From the funds appropriated in part 1 for epidemiology administration
32 and for childhood lead program, the department shall maintain a public health drinking

1 water program and maintain enhanced efforts to monitor child blood lead levels. The public
2 health drinking water program shall ensure that appropriate investigations of potential
3 health hazards occur for all community and noncommunity drinking water supplies where
4 chemical exceedances of action levels, health advisory levels, or maximum contaminant
5 limits are identified. The goals of the childhood lead program must include improving the
6 identification of children affected by lead exposure, improving the timeliness of case
7 follow-up, and attaining nurse care management for children with lead exposure, and to
8 achieve a long-term reduction in the percentage of children in this state with elevated
9 blood lead levels.

10 Sec. 8-1181. From the funds appropriated in part 1 for epidemiology administration,
11 the department shall maintain a vapor intrusion response program. The vapor intrusion
12 response program shall assess risks to public health at vapor intrusion sites and respond
13 to vapor intrusion risks if appropriate. The goals of the vapor intrusion response program
14 must include reducing the number of individuals who are exposed to toxic substances through
15 vapor intrusion and improving health outcomes for individuals who are identified as having
16 been exposed to vapor intrusion.

17 Sec. 8-1182. Not later than April 1 of the current fiscal year, the department shall
18 submit a report to the standard report recipients on the expenditures and activities
19 undertaken by the lead abatement program during the previous fiscal year using the funds
20 previously appropriated for the healthy homes program. The report must include, but is not
21 limited to, a funding allocation schedule, the expenditures by category of expenditure and
22 by subcontractor, a description of program elements, the number of housing units abated of
23 lead-based paint hazards by zip code, and a description of program accomplishments and
24 progress.

25

26 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

27 Sec. 8-1220. The amount appropriated in part 1 for implementation of the 1993
28 additions of or amendments to sections 9161, 16221, 16226, 17015, and 17515 of the public
29 health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17015, and 333.17515,
30 must be used to reimburse local health departments for costs incurred to implement section
31 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

32 Sec. 8-1221. If a county that participates in a district health department or has an

1 associated arrangement with another local health department takes action to stop
2 participating in that arrangement after October 1 of the current fiscal year, the
3 department may assess a penalty from the local health department's operational accounts in
4 an amount equal to no more than 6.25% of the local health department's essential local
5 public health services funding. The department shall assess a penalty only if a county
6 requests the dissolution of the health department.

7 Sec. 8-1222. (1) The department shall prospectively allocate funds appropriated in
8 part 1 for essential local public health services to local health departments to support
9 immunizations, infectious disease control, sexually transmitted disease control and
10 prevention, hearing screening, vision services, food protection, public water supply,
11 private groundwater supply, and on-site sewage management. The department shall consult
12 with the department of agriculture and rural development before allocating funds for food
13 protection under this section. The department shall consult with the department of
14 environment, Great Lakes, and energy before allocating funds for public water supply,
15 private groundwater supply, and on-site sewage management under this section.

16 (2) The department shall not distribute funds under subsection (1) to a county unless
17 the county maintains local spending in the current fiscal year in an amount that is equal
18 to or exceeds the amount the county expended in fiscal year 1992-1993 for the services
19 described in subsection (1).

20 (3) Not later than February 1 of the current fiscal year, the department shall submit
21 a report to the standard report recipients on the planned allocation of the funds
22 appropriated for essential local public health services.

23 (4) The department shall continue to implement the distribution formula for
24 allocating essential local public health services funding to local health departments as
25 specified in section 1234 of article X of 2018 PA 207.

26 (5) From the funds appropriated in part 1 for essential local public health services,
27 each local public health department is allocated not less than the amount allocated to that
28 local public health department during the previous fiscal year.

29 Sec. 8-1227. The department shall establish criteria for all funds allocated for
30 health and wellness initiatives. The criteria must include a requirement that a program
31 receiving funding is evidence-based and supported by research, includes interventions that
32 have been shown to demonstrate outcomes that lower cost and improve quality, and is

1 designed for statewide impact. The department shall give preference to a program that uses
2 the funding as match for additional resources, including, but not limited to, federal
3 sources.

4 Sec. 8-1231. (1) From the funds appropriated for local health services, up to
5 \$4,750,000.00 is allocated for grants to local health departments to support PFAS response
6 and emerging public health threat activities. The department shall allocate a portion of
7 the funding in a collaborative fashion with local health departments in jurisdictions
8 experiencing PFAS contamination. The department shall allocate the remainder of the funding
9 to address infectious and vector-borne disease threats, and other environmental
10 contamination issues, including, but not limited to, vapor intrusion, drinking water
11 contamination, and lead exposure. The department shall allocate the funding to address
12 issues including, but not limited to, staffing, planning and response, and creating and
13 disseminating materials related to PFAS contamination issues and other emerging public
14 health issues and threats.

15 (2) Not later than March 1 of the current fiscal year, the department shall submit a
16 report to the standard report recipients on actual expenditures in the previous fiscal year
17 and planned spending in the current fiscal year of the funds described in subsection (1).
18 The report must include recipient entities, the amount of allocation, the general category
19 of allocation, and detailed uses.

20 Sec. 8-1232. The department may work to ensure that the United States Department of
21 Defense reimburses the state for costs associated with PFAS and environmental contamination
22 response at military training sites and support facilities.

23 Sec. 8-1233. The department shall not expend general fund and state restricted fund
24 appropriations in part 1 for PFAS and environmental contamination response if federal
25 funding or private grant funding is available for the same expenditures.

26 Sec. 8-1239. The department shall participate in and give necessary assistance to the
27 Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The
28 department shall collaborate with MPART and other departments to carry out appropriate
29 activities, actions, and recommendations as coordinated by MPART. Efforts must be
30 continuous to ensure that the department's activities are not duplicative with activities
31 of another department or agency.

32 Sec. 8-1240. From the funds appropriated in part 1 for chronic disease control and

1 health promotion administration, \$70,000.00 is allocated to support a rare disease advisory
2 council and the responsibilities of the rare disease advisory council, which may include
3 all of the following:

- 4 (a) Developing a list of rare diseases.
- 5 (b) Posting the list of rare diseases on the department's website.
- 6 (c) Updating the list of rare diseases.
- 7 (d) Annually investigating and reporting to the legislature on 1 rare disease on the
8 list, and including legislative recommendations in the report.

9 Sec. 8-1241. (1) From the funds appropriated in part 1 for community health programs,
10 the department shall support preventive health supports and services in regions with high
11 health care access and outcome disparities. The department shall use the funds appropriated
12 pursuant to this section to provide for all of the following:

13 (a) Financial support for the operation of community-based health clinics. A
14 community-based health clinic shall provide preventive health supports and services, be
15 established in communities with high social vulnerability and health disparities and be
16 operated in cooperation with trusted community partners with demonstrated experience in
17 serving as an access point for preventive health supports and services.

18 (b) Financial support for the operation of healthy community zones. The healthy
19 community zones must utilize long-term strategies to address access to healthy food,
20 affordable housing, and safety networks.

21 (c) Financial support for the operation of mobile health units to provide preventive
22 health supports and services for individuals residing in areas with high disparities in
23 health care outcomes and access.

24 (2) Not later than March 1 of the current fiscal year, the department shall submit to
25 the standard report recipients a report on the outcome of the community health programs
26 described in subsection (1). The report must include, but is not limited to, all of the
27 following:

- 28 (a) The list of communities served.
- 29 (b) The types of health services offered by grant recipients.
- 30 (c) A spending report from the grant recipients.

31

32 **FAMILY HEALTH SERVICES**

1 Sec. 8-1302. From the funds appropriated in part 1 for special projects, the
2 department shall allocate \$500,000.00 of TANF revenue to purchase child restraint systems
3 for newborn children who are TANF eligible. The child restraint systems must meet the
4 standards of all applicable federal law and the laws of this state, be purchased in volume
5 by this state, and be distributed through maternal infant health program providers.

6 Sec. 8-1306. (1) From the funds appropriated in part 1 for the drinking water
7 declaration of emergency, the department shall allocate funds to address needs in a city in
8 which a declaration of emergency was issued because of drinking water contamination. The
9 funds allocated under this section may be used to support any of the following activities:

10 (a) Nutrition assistance, nutritional and community education, food bank resources,
11 and food inspections.

12 (b) Epidemiological analysis and case management of individuals at risk of elevated
13 blood lead levels.

14 (c) Support for child and adolescent health centers, and the children's health care
15 access program.

16 (d) Nursing services, breastfeeding education, evidence-based home visiting programs,
17 intensive services, and outreach for children exposed to lead coordinated through local
18 community mental health organizations.

19 (e) Department local office operations costs.

20 (f) Lead poisoning surveillance, investigations, treatment, and abatement.

21 (g) Nutritional incentives provided to local residents through the double up food
22 bucks expansion program.

23 (h) Genesee County health department food inspectors to perform water testing at
24 local food service establishments.

25 (i) Transportation related to health care delivery.

26 (j) Senior initiatives.

27 (k) Lead abatement contractor workforce development.

28 (l) Any other activity that the department considers appropriate.

29 (2) From the funds appropriated in part 1 for the drinking water declaration of
30 emergency, the department shall allocate \$500,000.00 for rides to wellness through the
31 Flint mass transportation authority.

32 Sec. 8-1308. From the funds appropriated in part 1 for prenatal care outreach and

1 service delivery support, the department shall allocate not less than \$500,000.00 for
2 evidence-based programs to reduce infant mortality. The funds must be used for enhanced
3 support and education to nursing teams or other teams of health professionals that the
4 department considers qualified, client recruitment in areas designated as underserved for
5 obstetrical and gynecological services and in other high-need communities, strategic
6 planning to expand and sustain programs, and marketing and communications of programs to
7 raise awareness, engage stakeholders, and recruit nurses.

8 Sec. 8-1311. From the funds appropriated in part 1 for prenatal care outreach and
9 service delivery support, the department shall allocate not less than \$2,750,000.00 of
10 state general fund/general purpose revenue for a rural home visit program. The department
11 shall give equal consideration to all eligible evidence-based providers in all regions in
12 contracting for rural home visitation services.

13 Sec. 8-1313. (1) From the funds appropriated in part 1, the department shall continue
14 developing an outreach program on fetal alcohol syndrome services, targeting health
15 promotion, prevention, and intervention.

16 (2) The department shall explore federal grant funding to address prevention services
17 for fetal alcohol syndrome and to reduce alcohol consumption among pregnant women.

18 Sec. 8-1314. From the funds appropriated in part 1, the department shall enhance the
19 department's education and outreach efforts that encourage women of childbearing age to
20 seek the confirmation of a pregnancy at the earliest indication of a possible pregnancy and
21 to initiate continuous and routine prenatal care on the confirmation of a pregnancy. The
22 department shall ensure that the department's programs, policies, and practices promote
23 prenatal and obstetrical care by doing all of the following:

24 (a) Supporting access to care.

25 (b) Reducing and eliminating barriers to care.

26 (c) Supporting recommendations for best practices.

27 (d) Encouraging optimal prenatal habits, including, but not limited to, prenatal
28 medical visits, use of prenatal vitamins, and the cessation of tobacco use, alcohol use, or
29 drug use.

30 (e) Tracking birth outcomes to study improvements in prevalence of neonatal substance
31 exposure, fetal alcohol syndrome, and other preventable neonatal disease.

32 (f) Tracking maternal increase in healthy behaviors following childbirth.

1 Sec. 8-1315. From the funds appropriated in part 1 for dental programs, \$200,000.00
2 is allocated to the Michigan Dental Association for the administration of a volunteer
3 dental program that provides dental services to the Uninsured.

4 Sec. 8-1316. The department shall use revenue from permit fees for mobile dental
5 facilities that the department receives under section 21605 of the public health code, 1978
6 PA 368, MCL 333.21605, to offset the costs of processing and issuing permits for mobile
7 dental facilities.

8 Sec. 8-1325. From the funds appropriated in part 1 for prenatal care outreach and
9 service delivery support, the department shall allocate \$5,000,000.00 to support grants to
10 local collaboratives to enhance the ability of local collaboratives to coordinate and
11 improve maternal and infant health outcomes. To receive a grant under this section, a local
12 collaborative must be a part of a perinatal quality collaborative.

13 Sec. 8-1341. The department shall use income eligibility and verification guidelines
14 established by the Food and Nutrition Service agency of the United States Department of
15 Agriculture to determine eligibility of individuals for the special supplemental nutrition
16 program for women, infants, and children (WIC) as stated in current WIC policy.

17 Sec. 8-1343. (1) From the funds appropriated in part 1 for dental programs, the
18 department shall allocate \$4,260,000.00 of state and local funds, plus any private
19 contributions received to support the program, to establish and maintain the dental oral
20 assessment program described in section 9316 of the public health code, 1978 PA 368, MCL
21 333.9316.

22 (2) Not later than December 31 of the current fiscal year, the department shall
23 submit a report to the standard report recipients that provides a summary of the dental
24 reports the department receives from principals and administrators under section 9316 of
25 the public health code, 1978 PA 368, MCL 333.9316.

26 Sec. 8-1349. Subject to federal approval, from the funds appropriated in part 1 for
27 immunization program, the department shall allocate all of the following funds to support a
28 statewide media campaign for improving this state's immunization rates:

29 (a) \$740,000.00 of general fund/general purpose revenue.

30 (b) Any available work project funds.

31 (c) Any available federal match through a contract administered by the department
32 with oversight from the behavioral and physical health and aging services administration

1 and the public health administration.

2

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

4 Sec. 8-1360. From the funds appropriated in part 1, the department may do 1 or more
5 of the following:

6 (a) Provide special formulas for eligible individuals with specified metabolic and
7 allergic disorders.

8 (b) Provide medical care and treatment to eligible individuals with cystic fibrosis
9 who are 26 years of age or older.

10 (c) Provide medical care and treatment to eligible individuals with hereditary
11 coagulation defects, commonly known as hemophilia, who are 26 years of age or older.

12 (d) Provide human growth hormone to eligible individuals.

13 (e) Provide mental health care to eligible individuals for mental health needs that
14 result from, or are a symptom of, the individual's qualifying medical condition.

15 (f) Provide medical care and treatment to eligible individuals with sickle cell
16 disease who are 26 years of age or older.

17 Sec. 8-1361. From the funds appropriated in part 1 for medical care and treatment,
18 the department may spend the funds to continue developing and expanding telemedicine
19 capacity to allow families with children in the children's special health care services
20 program to access specialty providers more readily and in a more timely manner. The
21 department may spend funds to support chronic complex care management of children enrolled
22 in the children's special health care services program to minimize hospitalizations and
23 reduce costs to the program while improving outcomes and quality of life. As used in this
24 section, "children's special health care services program" or "program" means the program
25 established under section 5815 of the public health code, 1978 PA 368, MCL 333.5815.

26

27 **AGING SERVICES**

28 Sec. 8-1402. The department may encourage the Food Bank Council of Michigan to
29 collaborate directly with each area agency on aging and any other organization that
30 provides senior nutrition services to secure the food access of older adults.

31 Sec. 8-1403. (1) From the funds appropriated in part 1, the department may implement
32 a palliative care advisory task force. The palliative care advisory task force shall do all

1 of the following:

2 (a) Provide the legislature with a recommended definition for palliative care in this
3 state.

4 (b) Conduct research on palliative care.

5 (c) Make recommendations that will expand the provision of palliative care.

6 (d) Identify palliative care services that are offered and measures for reimbursement
7 of the services.

8 (e) Develop key program metrics for palliative care services and make recommendations
9 to the department and the legislature.

10 (f) Collaborate with individuals who are able to improve and expand high-quality
11 palliative care services.

12 (g) Develop engagement strategies to educate the public on access to palliative care
13 and to improve an individual's ability to make informed decisions on preferred care.

14 (h) Identify the capacity of palliative care providers to provide palliative care
15 services.

16 (2) If the department implements the task force described in subsection (1), then not
17 later than January 1 of the current fiscal year, the palliative care advisory task force
18 shall submit to the standard report recipients a report that identifies the palliative care
19 services available in this state and any palliative care services that are not offered in
20 this state but would provide a benefit.

21 Sec. 8-1404. From the funds appropriated in part 1 for community services, the
22 department shall allocate \$658,000.00 to area agencies on aging for home and community-
23 based services.

24 Sec. 8-1417. Not later than March 31 of the current fiscal year, the department shall
25 submit to the standard report recipients a report that contains all of the following
26 information:

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

29 (b) Detailed expenditures by each area agency on aging by individual program and
30 administration, including both state-funded resources and locally funded resources.

31 Sec. 8-1421. From the funds appropriated in part 1 for community services,
32 \$1,100,000.00 is allocated for locally determined needs that are provided by area agencies

1 on aging.

2

3 **HEALTH AND AGING SERVICES ADMINISTRATION**

4 Sec. 8-1512. From the funds appropriated in part 1, the department shall maintain the
5 Medicaid encounter quality initiative report to separate nonclinical administrative costs
6 from actual claims and encounter costs.

7 Sec. 8-1518. The department shall coordinate with the department of licensing and
8 regulatory affairs to ensure that, on the issuance of an order suspending the license of an
9 adult foster care facility, home for the aged, or nursing home, the department of licensing
10 and regulatory affairs provides a notice to the department, to the house and senate
11 appropriations subcommittees on the department budget, and to the members of the house of
12 representatives and senate that represent the legislative districts of the county in which
13 the adult foster care facility, home for the aged, or nursing home is located.

14

15 **HEALTH SERVICES**

16 Sec. 8-1605. The protected income level for Medicaid coverage determined under
17 section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, is 100% of the
18 related public assistance standard.

19 Sec. 8-1606. For the purpose of guardian and conservator charges, the department may
20 deduct up to \$83.00 per month as an allowable expense against a recipient's income when
21 determining Medicaid eligibility and patient pay amounts.

22 Sec. 8-1607. (1) The department shall immediately presume that an applicant for
23 Medicaid whose qualifying condition is pregnancy is eligible for Medicaid coverage, unless
24 the preponderance of evidence in the applicant's application indicates otherwise. The
25 applicant who is qualified as described in this subsection is allowed to select or remain
26 with the Medicaid participating obstetrician of the applicant's choice.

27 (2) Each qualifying applicant is entitled to receive all medically necessary
28 obstetrical and prenatal care without preauthorization from a health plan. All claims
29 submitted for payment for obstetrical and prenatal care must be paid at the Medicaid fee-
30 for-service rate if a contract does not exist between the Medicaid participating
31 obstetrical or prenatal care provider and the managed care plan. The applicant must receive
32 a listing of Medicaid physicians and managed care plans in the immediate vicinity of the

1 applicant's residence.

2 (3) If an applicant, presumed to be eligible for Medicaid under subsection (1), is
3 subsequently found to be ineligible, a Medicaid physician or managed care plan that has
4 been providing pregnancy services to the applicant is entitled to reimbursement for the
5 services until the Medicaid physician or managed care plan is notified by the department
6 that the applicant was found to be ineligible for Medicaid.

7 (4) If the preponderance of evidence in an application under subsection (1) indicates
8 that the applicant is not eligible for Medicaid, the department shall refer the applicant
9 to the nearest public health clinic or similar entity as a potential source for receiving
10 pregnancy-related services.

11 (5) The department shall develop an enrollment process for applicants covered under
12 this section that facilitates the selection of a managed care plan at the time of
13 application.

14 (6) The department shall require that Medicaid managed care plans enroll women whose
15 qualifying condition for Medicaid is pregnancy.

16 (7) The department shall encourage physicians to provide an applicant whose
17 qualifying condition for Medicaid is pregnancy with a referral to a Medicaid participating
18 dentist at the applicant's first pregnancy-related appointment.

19 Sec. 8-1611. (1) For care provided to Medicaid recipients with other third-party
20 sources of payment, Medicaid reimbursement shall not exceed, in combination with such other
21 resources, including Medicare, those amounts established for Medicaid-only patients. The
22 Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid
23 copayment, no portion of a provider's charge shall be billed to the recipient or any person
24 acting on behalf of the recipient. This section does not affect the level of payment from a
25 third-party source other than the Medicaid program. The department shall require a
26 nonenrolled provider to accept Medicaid payments as payment in full.

27 (2) Notwithstanding subsection (1), if a hospital service is provided to a dual
28 Medicare/Medicaid recipient with only Medicare part B coverage, the Medicaid reimbursement
29 must equal, when combined with a payment for Medicare or other third-party source of
30 payment, the amount established for a Medicaid-only patient, including a capital payment.

31 Sec. 8-1620. (1) If a Medicaid claim is a fee-for-service Medicaid claim, the
32 professional dispensing fee for a drug that is listed as a medication on the Michigan

1 pharmaceutical products list is \$20.02 or the pharmacy's submitted dispensing fee,
2 whichever is less.

3 (2) If a Medicaid claim is a fee-for-service Medicaid claim, the professional
4 dispensing fee for a drug that is not listed as a specialty medication on the Michigan
5 pharmaceutical products list is as follows:

6 (a) If the drug is indicated as preferred on the department's preferred drug list,
7 \$10.80 or the pharmacy's submitted dispensing fee, whichever is less.

8 (b) If the drug is not on the department's preferred drug list, \$10.64 or the
9 pharmacy's submitted dispensing fee, whichever is less.

10 (c) If the drug is indicated as nonpreferred on the department's preferred drug list,
11 \$9.00 or the pharmacy's submitted dispensing fee, whichever is less.

12 Sec. 8-1626. (1) Not later than January 15 of the current fiscal year, each pharmacy
13 benefit manager that receives reimbursements directly, through a department-administered
14 fee-for-services contract, or through a Medicaid health plan, from the funds appropriated
15 in part 1 for health services must submit all of the following information to the
16 department for the previous fiscal year:

17 (a) The total number of prescriptions that were dispensed.

18 (b) The aggregate fiscal year paid pharmacy claims repriced using the wholesale
19 acquisition cost for each drug on its formulary.

20 (c) The aggregate amount of rebates, discounts, and price concessions that the
21 pharmacy benefit manager received for each drug on its formulary. The aggregate amount of
22 rebates must include any utilization discounts the pharmacy benefit manager received from a
23 manufacturer.

24 (d) The aggregate amount of administrative fees that the pharmacy benefit manager
25 received from all pharmaceutical manufacturers.

26 (e) The aggregate amount identified in subdivisions (b) and (c) that were retained by
27 the pharmacy benefit manager and did not pass through to the department or to the Medicaid
28 health plan.

29 (f) The aggregate amount of reimbursements the pharmacy benefit manager paid to
30 contracting pharmacies.

31 (g) Any other information considered necessary by the department.

32 (2) Not later than March 1 of the current fiscal year, the department shall submit a

1 report including the information provided under subsection (1) to the standard report
2 recipients.

3 (3) Any nonaggregated information submitted under this section is confidential and
4 must not be disclosed to any person by the department. The information described in this
5 subsection is not a public record of the department.

6 Sec. 8-1628. From the funds appropriated in part 1 for hospital services and therapy
7 and Healthy Michigan plan, the department shall continue to allocate \$3,000,000.00 in
8 general fund/general purpose revenue and any associated federal match to maintain the
9 Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and
10 outpatient hospitals. The funding provided in this section must be used to maintain the
11 minimum rate of reimbursement for dental services provided in ambulatory surgical centers
12 at \$1,495.00 and maintain the minimum rate of reimbursement for dental services provided in
13 outpatient hospitals at \$2,300.00.

14 Sec. 8-1629. The department shall utilize maximum allowable cost pricing for generic
15 drugs that is based on wholesaler pricing to providers. The wholesaler pricing must be
16 based on the price available from at least 2 wholesalers who deliver drugs in this state.

17 Sec. 8-1630. Not later than April 1 of the current fiscal year, from the funds
18 appropriated in part 1 for Medicaid dental services, the department shall submit a report
19 to the standard report recipients on the dental service benefit. The report must cover all
20 of the following areas:

21 (a) Information on the implementation of the Adult Medicaid dental benefit redesign
22 including all of the following information:

23 (i) The number of dental providers, by Medicaid health plan in this state, who
24 provided 1 or more Medicaid dental services in the fiscal year ending September 30, 2022,
25 and the number of additional providers who were added in the previous fiscal year, with a
26 delineation in the reported numbers based on the average payment per visit and before and
27 after the implementation of the Adult Medicaid dental benefit redesign.

28 (ii) The status of enhanced care coordination.

29 (iii) The array of covered dental benefits and services before the Adult Medicaid
30 dental benefit redesign and how the available benefits and services changed or expanded
31 after the Adult Medicaid dental benefit redesign.

32 (b) Information on the Healthy Kids Dental program including all of the following

1 information:

2 (i) The number of children enrolled in the Healthy Kids Dental program who visited
3 the dentist in the previous fiscal year broken down by dental benefit manager.

4 (ii) The number of dentists who accept payment from the Healthy Kids Dental program
5 broken down by dental benefit manager.

6 (iii) The annual change in dental utilization of children enrolled in the Healthy
7 Kids Dental program broken down by dental benefit manager.

8 (iv) Service expenditures for the Healthy Kids Dental program broken down by dental
9 benefit manager.

10 (v) Administrative expenditures for the Healthy Kids Dental program broken down by
11 dental benefit manager.

12 Sec. 8-1631. (1) The department shall require copayments on dental, podiatric, and
13 vision services provided to Medicaid recipients, except as prohibited by federal law or a
14 law of this state.

15 (2) Except as otherwise prohibited by federal law or a law of this state, the
16 department shall require Medicaid recipients to pay the following copayments:

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

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

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

20 (d) Two dollars for an outpatient hospital visit.

21 (e) One dollar for a generic drug or any drug indicated as preferred on the
22 department's preferred drug list and \$3.00 for a brand-name drug not indicated as preferred
23 on the department's preferred drug list.

24 Sec. 8-1640. From the funds appropriated in part 1, the department shall maintain the
25 rate increase for the home help individual caregiver rate and the home help agency provider
26 rate specified in the department's Medicaid provider letters L 24-66, L 24-67, and L 24-74.

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. 8-1644. (1) From the funds appropriated in part 1, the department shall maintain
31 wages at a level not less than the amount in effect the previous fiscal year. This funding
32 must include all costs incurred by the employer, including, but not limited to, payroll

1 taxes, due to the wage increase. As used in this subsection, "direct care workers" means a
2 registered professional nurse, licensed practical nurse, competency-evaluated nursing
3 assistant, and respiratory therapist.

4 (2) From the funds appropriated in part 1, the department shall maintain wages at a
5 level not less than the amount in effect during the previous fiscal year for direct care
6 workers who are employed by licensed adult foster care facilities and licensed homes for
7 the aged and who provide Medicaid-funded fee-for-service personal care services that were
8 not eligible for any direct care worker pay adjustment under Medicaid-funded managed care.
9 This funding must include all costs incurred by the employer, including, but not limited
10 to, payroll taxes, due to the wage increase.

11 Sec. 8-1645. (1) From the funds appropriated in part 1, the department shall maintain
12 the wages of eligible nonclinical staff employed by skilled nursing facilities. The funding
13 must include all costs incurred by the employer, including payroll taxes, due to prior wage
14 increases.

15 (2) The nonclinical staff eligible for the wages described in subsection (1) are
16 those whose costs are reported in the following job classifications in nursing facility
17 institutional cost reports shared with the department:

18 (a) Other housekeeping.

19 (b) Other maintenance worker.

20 (c) Other plant operations.

21 (d) Other laundry.

22 (e) Dining room assistants.

23 (f) Other dietary workers.

24 (g) Other medical records.

25 (h) Other social services.

26 (i) Other diversion therapy.

27 (j) Beauty and barber.

28 (k) Gift, flower, coffee, and canteen worker.

29 Sec. 8-1646. From the funds appropriated in part 1, the department shall maintain the
30 Medicaid reimbursement rates for orthotic and prosthetic providers in place in the previous
31 fiscal year.

32 Sec. 8-1657. (1) The department shall not make reimbursement for Medicaid to screen

1 and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a
2 hospital emergency room, contingent on obtaining prior authorization from the recipient's
3 HMO. If the recipient is discharged from the emergency room, the hospital shall notify the
4 recipient's HMO within 24 hours of the diagnosis and treatment received.

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

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

11 Sec. 8-1662. (1) From the funds appropriated in part 1, the department shall require
12 an annual external quality review of each contracting HMO. The external quality review must
13 analyze and evaluate aggregated information on quality, timeliness, and access to health
14 care services that the HMO or its contractors furnish to Medicaid beneficiaries. The
15 department shall create a report containing each quality review required under this
16 subsection.

17 (2) The department shall require Medicaid HMOs to provide EPSDT utilization data
18 through the encounter data system, and HEDIS well child health measures in accordance with
19 the National Committee for Quality Assurance prescribed methodology.

20 (3) The department shall submit a copy of the analysis of the Medicaid HMO annual
21 audited reports on HEDIS and the report under subsection (1) to the standard report
22 recipients within 30 days after the department's receipt of the final information required
23 from the contractors.

24 Sec. 8-1670. (1) The appropriation in part 1 for the MICHild program is to be used to
25 provide comprehensive health care to all children under age 19 who reside in families with
26 an income at or below 212% of the federal poverty level, who are uninsured and have not had
27 coverage by other comprehensive health insurance within 6 months of applying for MICHild
28 benefits, and who are residents of this state. The department shall develop detailed
29 eligibility criteria through the behavioral and physical health and aging services
30 administration public concurrence process. The eligibility criteria must be consistent with
31 the provisions of this part and part 1.

32 (2) The department shall provide up to 1 year of continuous eligibility to a child

1 eligible for the MIChild program unless the child reaches age 19.

2 Sec. 8-1677. From the funds appropriated in part 1 for the MIChild program, the
3 department shall provide, at a minimum, all benefits available under the Michigan benchmark
4 plan that are delivered through contracted providers and consistent with federal law,
5 including, but not limited to, the following medically necessary services:

6 (a) Inpatient mental health services, other than substance use disorder treatment
7 services, including services furnished in a state-operated mental hospital and residential
8 or other 24-hour therapeutically planned structured services.

9 (b) Outpatient mental health services, other than substance use disorder services,
10 including services furnished in a mental hospital operated by this state and community-
11 based services.

12 (c) Durable medical equipment and prosthetic and orthotic devices.

13 (d) Dental services as outlined in the approved MIChild state plan.

14 (e) Substance use disorder treatment services that may include inpatient, outpatient,
15 and residential substance use disorder treatment services.

16 (f) Care management services for mental health diagnoses.

17 (g) Physical therapy, occupational therapy, and services for individuals with speech,
18 hearing, and language disorders.

19 (h) Emergency ambulance services.

20 Sec. 8-1682. (1) In addition to the appropriations in part 1, the department is
21 authorized to receive and spend penalty money received as the result of noncompliance with
22 Medicaid certification regulations. Penalty money, characterized as private funds, received
23 by the department shall increase authorizations and allotments in the long-term care
24 accounts.

25 (2) Any unexpended penalty money, at the end of the year, must carry forward to the
26 following year.

27 (3) Not later than March 1 of the current fiscal year, the department shall report to
28 the standard report recipients on penalty money received by the department as described in
29 subsection (1). The report must include, but is not limited to, the following information:

30 (a) The amount of penalty monies received by the department in the previous fiscal
31 year listed by the assessed entity.

32 (b) A list of the entities that were assessed penalties in the previous fiscal year

1 with the rationale for each penalty.

2 Sec. 8-1692. (1) The department is authorized to pursue reimbursement for eligible
3 services provided in Michigan schools from the federal Medicaid program. The department and
4 the state budget director are authorized to negotiate and enter into agreements, together
5 with the department of education, with local and intermediate school districts regarding
6 the sharing of federal Medicaid services funds received for these services. The department
7 is authorized to receive and disburse funds to participating school districts pursuant to
8 agreements described in this subsection and pursuant to federal law and a law of this
9 state.

10 (2) From the funds appropriated in part 1 for health services school-based services
11 payments, the department is authorized to do all of the following:

12 (a) Finance activities within the behavioral and physical health and aging services
13 administration related to eligible services.

14 (b) Reimburse participating school districts pursuant to the fund-sharing ratios
15 negotiated in the state-local agreements authorized in subsection (1).

16 (c) Offset general fund costs associated with the Medicaid program.

17 Sec. 8-1694. From the funds appropriated in part 1 for special Medicaid
18 reimbursement, \$2,628,500.00 of general fund/general purpose revenue and any associated
19 federal match must be distributed for poison control services to an academic health care
20 system that has a high volume of providing care to indigent individuals.

21 Sec. 8-1697. The department shall require that Medicaid health plans administering
22 Adult Dental benefits maintain a network of dental providers in sufficient numbers, mix,
23 and geographic locations throughout their respective service areas in order to provide
24 adequate dental care for Healthy Michigan plan enrollees.

25 Sec. 8-1700. Not later than December 1 of the current fiscal year, the department
26 shall report to the standard report recipients on the distribution of funding provided, and
27 the net benefit if the special hospital payment is not financed with general fund/general
28 purpose revenue, to each eligible hospital during the previous fiscal year from the
29 following special hospital payments:

30 (a) GME.

31 (b) Special rural hospital payments provided under section 1802(1)(b) of this part.

32 (c) Lump-sum payments to rural hospitals for obstetrical care provided under section

1 1802(1)(a) of this part.

2 Sec. 8-1702. From the funds appropriated in part 1, the department shall allocate
3 \$2,830,000.00 in general fund/general purpose revenue and any associated federal match to
4 maintain the rates in place in the previous fiscal year for private duty nursing services
5 for Medicaid beneficiaries under the age of 21. These additional funds must be used to
6 attract and retain highly qualified registered nurses and licensed practical nurses to
7 provide private duty nursing services so that medically fragile individuals can be cared
8 for in the most homelike setting possible.

9 Sec. 8-1757. The department shall obtain proof from all Medicaid recipients that they
10 are United States citizens or otherwise legally residing in this country and that they are
11 residents of this state before approving Medicaid eligibility.

12 Sec. 8-1764. The department's contracted actuaries shall annually certify whether
13 rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance
14 with federal requirements. The department shall provide to the standard report recipients a
15 copy of the rate certification required under this section and the approval of rates paid
16 to Medicaid health plans and specialty PIHPs for any fiscal year not later than October 1
17 for Medicaid capitation rate certifications and not later than November 15, February 15,
18 May 15, and August 15 for any Medicaid capitation rate amendments. Following the rate
19 certification, the department shall ensure that any new or revised policies with a
20 substantive impact on capitation rates are reviewed by the contracted actuaries and
21 considered for future rate amendments.

22 Sec. 8-1786. From the funds appropriated in part 1, the department shall maintain
23 Medicaid reimbursement for the administration of injectable, nasal, and oral vaccines at
24 \$23.03.

25 Sec. 8-1787. From the funds appropriated in part 1 for health plan services, Healthy
26 Michigan plan, and long-term care services, the department shall maintain the Medicaid
27 reimbursement rates in place in the previous fiscal year for CPT codes 31579, 92507, 92508,
28 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607, 92608, 92609, 92610, 92630, 92633,
29 92700, 94010, 97129, 97130, 97533, 97799, G2250, G2251, and S9152.

30 Sec. 8-1788. From the funds appropriated in part 1, the department shall provide
31 Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider
32 quality assurance assessment, for ground ambulance services at not less than 100% of the

1 Medicare base rates for Locality 01 for ground ambulance services in effect on January 1,
2 2023.

3 Sec. 8-1789. From the funds appropriated in part 1 for federally qualified health
4 centers, the department shall allocate not less than \$11,300,000.00 in general fund/general
5 purpose revenue and any associated federal match to maintain Medicaid prospective payment
6 system reimbursement rates.

7 Sec. 8-1790. The department shall maintain the current practitioner rates paid for
8 CPT codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service
9 and through the comprehensive Medicaid health plans for psychiatric procedures provided for
10 Medicaid recipients under the age of 21.

11 Sec. 8-1791. From the funds appropriated in part 1 for health plan services and
12 physician services, the department shall provide Medicaid reimbursement rates for neonatal
13 services at 100% of the Medicare rate received for those services in effect on the date the
14 services are provided to eligible Medicaid recipients. The neonatal services and physician
15 services eligible for reimbursement rates under this section are described as CPT codes
16 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

17 Sec. 8-1794. (1) From the funds appropriated in part 1, the department shall provide
18 Medicaid reimbursements for hospital-based substance use disorder peer-supports.

19 (2) Not later than March 1 of the current fiscal year, the department shall report to
20 the standard report recipients on the statewide amounts and each hospital amount for
21 hospital-based substance use disorder peer supports during the first quarter of the current
22 fiscal year, including for all of the following:

- 23 (a) The number of individuals served.
- 24 (b) The Medicaid reimbursement utilization.
- 25 (c) The total expenditures.

26 Sec. 8-1801. From the funds appropriated in part 1 for physician services and health
27 plan services, the department shall continue the increase to Medicaid rates for primary
28 care services provided only by primary care providers. The department shall not provide the
29 increase to Medicaid rates under this section to primary care providers whose primary
30 practice is as a non-primary-care subspecialty. As used in this section, "primary care
31 provider" means a physician, or a practitioner working in collaboration with a physician,
32 who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368,

1 MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and who works as a primary care
2 provider in general practice or is board-eligible or certified with a specialty designation
3 of family medicine, general internal medicine, or pediatric medicine, or is a provider who
4 provides the department with documentation of equivalency.

5 Sec. 8-1802. (1) From the funds appropriated in part 1 for hospital services and
6 therapy, the department shall provide for the following:

7 (a) \$8,470,200.00 in general fund/general purpose revenue as lump-sum payments to
8 noncritical access hospitals that qualified for rural hospital access payments in fiscal
9 year 2013-2014 proportional to Medicaid deliveries performed during the second immediately
10 preceding fiscal year. Payment amounts must be based on the volume of obstetrical care
11 cases and newborn care cases for all such cases billed by each qualified hospital in the
12 most recent year for which data is available. The department shall make payments not later
13 than January 1 of the current fiscal year. For the current fiscal year, a hospital that met
14 established occupied bed criteria based on Medicaid cost reports as of the fiscal year
15 ending September 30, 2011, and that is located within a county with a population of not
16 more than 195,000 and within a city, village, or township with a population of not more
17 than 15,000, according to the 2020 federal decennial census, is eligible.

18 (b) \$15,204,800.00 in general fund/general purpose revenue and any associated federal
19 match awarded as rural access payments to noncritical access hospitals that meet criteria
20 established by the department for services to low-income rural residents. One of the
21 reimbursement components of the criteria established by the department under this
22 subsection must be assistance with labor and delivery services.

23 (2) Payments under this section must be made by January 1 of the current fiscal year.

24 (3) The department shall publish the distribution of payments for the current fiscal
25 year and the previous fiscal year.

26 Sec. 8-1803. From the funds appropriated in part 1 for rural health transformation
27 program, the department shall provide grants to hospitals and providers, in accordance with
28 federal requirements.

29 Sec. 8-1804. The department may utilize the federal public assistance reporting
30 information system to continue to work to identify Medicaid recipients who are veterans and
31 who may be eligible for federal veterans' health care benefits or other benefits and shall
32 continue to refer veterans to the department of military and veterans affairs for

1 assistance in securing additional benefits.

2 Sec. 8-1810. In advance of the annual rate setting development, Medicaid health plans
3 must be given at least 60 days to dispute and correct any discarded encounter data before
4 rates are certified. The department shall notify each contracting Medicaid health plan of
5 any encounter data that have not been accepted for the purposes of rate setting.

6 Sec. 8-1812. Not later than June 1 of the current fiscal year, and using the most
7 recent available cost reports, the department shall complete a report of all direct and
8 indirect costs associated with residency training programs for each hospital that receives
9 funds appropriated in part 1 for graduate medical education or through the MiDocs
10 consortium. The report shall be submitted to the standard report recipients.

11 Sec. 8-1820. (1) In order to avoid duplication of effort, if a Medicaid health plan
12 has been reviewed and accredited by a national accrediting entity for health care services,
13 the department shall use applicable national accreditation review criteria to determine
14 compliance with corresponding requirements in this state.

15 (2) The department shall continue to comply with federal law and laws of this state
16 and shall not initiate an action that negatively impacts beneficiary safety.

17 (3) As used in this section, "national accrediting entity" means the National
18 Committee for Quality Assurance, the URAC, formerly known as the Utilization Review
19 Accreditation Commission, or another appropriate entity, as approved by the department.

20 Sec. 8-1830. From the funds appropriated in part 1 for hospital services and therapy,
21 the department shall allocate \$5,000,000.00 to support prenatal health care providers
22 operating in this state to provide services for existing group-based prenatal care programs
23 that include 1 or more health care professionals leading small groups of expectant mothers
24 in the same phase of pregnancy in discussions and other health services that promote the
25 well-being and health of mothers and babies.

26 Sec. 8-1831. From the funds appropriated in part 1 for hospital services and therapy
27 and prenatal care outreach and service delivery support, the department shall allocate
28 \$10,000,000.00 to continue to support hospitals in this state to improve maternal safety
29 and outcomes by administering and expanding a data-driven maternal safety and quality
30 improvement initiative that is based on interdisciplinary and consensus-based practices.
31 The initiative expansion must focus on mitigating pregnancy-associated injury and death,
32 work to improve outcomes for underserved groups, and address problems related to substance

1 use disorders.

2 Sec. 8-1837. The department shall continue, and expand where appropriate, utilization
3 of telemedicine and telepsychiatry as strategies to increase access to services for
4 Medicaid recipients.

5 Sec. 8-1846. From the funds appropriated in part 1 for graduate medical education,
6 the department shall distribute the funds with an emphasis on the following health care
7 workforce goals:

8 (a) The encouragement of the training of physicians in specialties, including primary
9 care, that are necessary to meet the future needs of residents of this state.

10 (b) The training of physicians in settings that include ambulatory sites and rural
11 locations.

12 (c) The training of practitioners providing pediatric psychiatry services.

13 Sec. 8-1850. The department may allow Medicaid health plans to assist with
14 maintaining eligibility through outreach activities to ensure continuation of Medicaid
15 eligibility and enrollment in managed care. The assistance may include mailings, telephone
16 contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid
17 health plan. Medicaid health plans may offer assistance in completing paperwork for
18 beneficiaries enrolled in the Medicaid health plan.

19 Sec. 8-1851. From the funds appropriated in part 1 for Healthy Michigan Plan, the
20 department shall allocate \$1,000,000.00 in general fund/general purpose revenue and any
21 associated federal match to enhance Medicaid health plan outreach in partnership with the
22 national kidney foundation of Michigan. The funds are to support outreach efforts by the
23 Morris Hood III Chronic Kidney Disease Prevention Initiative to identify, educate, and
24 prevent chronic kidney disease in high-risk populations and regions.

25 Sec. 8-1854. The funds appropriated in part 1 for PACE must support a current fiscal
26 year enrollment cap that is not less than 9,590.

27 Sec. 8-1855. From the funds appropriated in part 1 for PACE, to the extent that
28 funding is available in the PACE line item and unused program slots are available, the
29 department may do the following:

30 (a) Increase the number of slots for a local and already-established PACE if the
31 local PACE has provided appropriate documentation to the department indicating its ability
32 to expand capacity to provide services to additional PACE clients.

1 (b) Suspend the 10 member per month individual PACE enrollment increase cap in order
2 to allow unused and unobligated slots to be allocated to address unmet demand for PACE
3 services.

4 Sec. 8-1856. (1) From the funds appropriated in part 1 for hospice services,
5 \$5,000,000.00 shall be expended to provide room and board for Medicaid-eligible individuals
6 who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice
7 residences in this state. The department shall distribute funds through grants based on the
8 total beds located in all eligible residences that have been providing these services as of
9 October 1, 2017. An eligible grant applicant may inform the department of the applicant's
10 request to reduce the grant amount allocated for the applicant's residence and the funds
11 must be distributed proportionally to increase the total grant amount of the remaining
12 grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total
13 grant amount distributed each month to the grantees.

14 (2) Not later than September 15 of the current fiscal year, each Medicaid-enrolled
15 hospice with a residence that receives funds under this section shall provide a report to
16 the department on the utilization of the grant funding provided in subsection (1). The
17 report must be provided in a format prescribed by the department and must include the
18 following information:

19 (a) The number of patients served.

20 (b) The number of days served.

21 (c) The daily room and board rates for the patients served.

22 (d) If there is not sufficient funding to cover the total room and board need, the
23 number of patients who did not receive care due to insufficient grant funding. (3) If funds
24 awarded under this section remain unused at the end of the current fiscal year, the
25 Medicaid-enrolled hospice with a residence shall return those unused funds to this state.

26 Sec. 8-1859. The department shall partner with the Michigan Association of Health
27 Plans and Medicaid health plans to develop and implement strategies for the use of
28 information technology services for Medicaid research activities. The department shall make
29 available state medical assistance program data, including Medicaid behavioral data, to the
30 Michigan Association of Health Plans and Medicaid health plans or any vendor considered
31 qualified by the department to perform research activities consistent with this state's
32 goals of improving health; increasing the quality, reliability, availability, and

1 continuity of care; and reducing the cost of care for the eligible population of Medicaid
2 recipients.

3 Sec. 8-1862. From the funds appropriated in part 1, the department shall maintain
4 payment rates for Medicaid obstetrical services at 95% of Medicare levels.

5 Sec. 8-1870. (1) From the funds appropriated in part 1 for hospital services and
6 therapy, the department shall allocate \$6,400,000.00 in general fund/general purpose
7 revenue plus any contributions from public entities, up to \$5,000,000.00, and any
8 associated federal match to the MiDocs consortium to create new primary care residency
9 slots in underserved communities. The new primary care residency slots must be in 1 of the
10 following specialties: family medicine, general internal medicine, general pediatrics,
11 general OB-GYN, psychiatry, or general surgery.

12 (2) The department shall seek any necessary approvals from CMS to allow the
13 department to implement the program described in this section.

14 (3) Assistance with repayment of medical education loans, loan interest payments, or
15 scholarships provided by the MiDocs consortium shall be contingent upon a minimum 2-year
16 commitment to practice in an underserved community in this state post-residency and an
17 agreement to forego any sub-specialty training for at least 2 years post-residency with the
18 exception of a child and adolescent psychiatry fellowship that must be integrated with a
19 psychiatry residency training program in a MiDocs consortium affiliated institution.

20 (4) The MiDocs consortium shall work with the department to integrate the Michigan
21 inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible,
22 prioritize training opportunities in state psychiatric hospitals and community mental
23 health organizations.

24 (5) The department shall maintain the MiDocs consortium initiative advisory council
25 to help support implementation of the program described in this section, and to provide
26 oversight. The advisory council must be composed of the MiDocs consortium, the Michigan
27 Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center
28 for Rural Health, the Michigan Academy of Family Physicians, and any other appointees
29 designated by the department.

30 (6) Not later than September 1 of the current fiscal year, the MiDocs consortium
31 shall submit a report to the standard report recipients that includes all of the following
32 information:

1 (a) Audited financial statement of per-resident costs.

2 (b) Education and clinical quality data.

3 (c) Roster of trainees, including areas of specialty and locations of training.

4 (d) Medicaid revenue by training site.

5 (7) The department shall monitor outcome and performance measures for this program,
6 including, but not limited to, the following:

7 (a) Increasing this state's ability to recruit, train, and retain primary care
8 physicians and other select specialty physicians in underserved communities.

9 (b) Maximizing training opportunities with community health centers, rural critical
10 access hospitals, solo or group private practice physician practices, schools, and other
11 community-based clinics, in addition to the required training through rotations at
12 inpatient hospitals.

13 (c) Increasing the number of residency slots for family medicine, general internal
14 medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

15 (8) Unexpended and unencumbered funds up to a maximum \$6,400,000.00 in general
16 fund/general purpose revenue plus any contributions from public entities, up to
17 \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part
18 1 for hospital services and therapy are designated as work project appropriations, and any
19 unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be
20 available for expenditures for the MiDocs consortium to create new primary care residency
21 slots in underserved communities under this section until the work project has been
22 completed. All of the following are in compliance with section 451a of the management and
23 budget act, 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the work project is to fund the cost of the MiDocs consortium to
25 create new primary care
26 residency slots in underserved communities.

27 (b) The work project will be accomplished by contracting with the MiDocs consortium
28 to oversee the creation of new primary care residency slots.

29 (c) The total estimated completion cost of the work project is \$20,200,000.00.

30 (d) The tentative completion date for the work project is September 30, 2031.

31 Sec. 8-1872. From the funds appropriated in part 1 for personal care services, the
32 department shall maintain the monthly Medicaid personal care supplement paid to adult

1 foster care facilities and homes for the aged that provide personal care services to
2 Medicaid recipients in place during the previous fiscal year.

3 Sec. 8-1874. The department shall ensure, in counties where PACE services are
4 available, that PACE is included as an option in all options counseling and enrollment
5 brokering for aging services and managed care programs, including, but not limited to, Area
6 Agencies on Aging, centers for independent living, and the MiChoice home and community-
7 based waiver. The department must include approved marketing and discussion materials for
8 options counseling.

9 Sec. 8-1879. Not later than May 15 of the current fiscal year, the department shall
10 submit to the standard report recipients a report with Medicaid pharmaceutical information.
11 The report shall include, for the previous fiscal year, the total Medicaid pharmaceutical
12 costs and the total Medicaid pharmaceutical rebates. The report must categorize the total
13 Medicaid pharmaceutical costs and total Medicaid pharmaceutical rebates recognized by the
14 contracted health plans and the department. In addition, the report must also include all
15 of the following information:

16 (a) The total estimated pharmaceutical benefit expenses incurred by contracted health
17 plans from the previous fiscal year and through the first 2 quarters of the current fiscal
18 year.

19 (b) The total estimated pharmaceutical benefit expenses included in approved initial
20 rates for contracted health plans from the previous fiscal year and total estimated
21 pharmaceutical benefit expenses included in approved initial rates for contracted health
22 plans for the first 2 quarters of the current fiscal year.

23 (c) The total Medicaid pharmaceutical rebates received by the department in the
24 previous fiscal year and the single preferred drug list supplemental rebates invoices in
25 the previous fiscal year.

26 (d) Information as to whether the average benefit expense for the composite average
27 across all rate cells and service categories included in capitation rates, based on actual
28 enrollment and anticipated recoveries, for the previous fiscal year and through the first 2
29 quarters of the current fiscal year exceeded the reported contracted health plan's
30 experience, adjusted for completion over the same reporting periods.

31 (e) The following information related to the current Medicaid pharmacy carve-out of
32 pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA

1 280, MCL 400.109h:

2 (i) The number of prescriptions paid by the department during the previous fiscal
3 year.

4 (ii) The total amount of expenditures for prescriptions paid by the department during
5 the previous fiscal year.

6 (iii) The number of and total expenditures for prescriptions paid by the department
7 for generic equivalents during the previous fiscal year.

8 Sec. 8-1880. (1) The department shall align all pharmacy-related policies with the
9 United States Food and Drug Administration quality and clinical standards. Any single
10 preferred drug list utilization management criteria will be established in consultation
11 with the Medicaid health plans and the Michigan pharmacy and therapeutics committee
12 described in section 9705 of the public health code, 1978 PA 368, MCL 333.9705, with
13 consideration given to applicable United States Food and Drug Administration dosing
14 guidelines, subsequent evidence-based literature or studies, and current treatment
15 guidelines.

16 (2) The department shall revise existing pharmacy coverage policies to limit the
17 authorization of anti-obesity GLP-1 receptor agonists exclusively to individuals classified
18 as Class III obesity. Coverage is contingent on documented failure of all other clinically
19 appropriate weight-loss interventions and must be considered only as a measure to avert the
20 need for higher-cost bariatric surgery.

21 Sec. 8-1889. All quality assurance assessment program revenue collected under section
22 20161 of the public health code, 1978 PA 368, MCL 333.20161, must only be expended on
23 services provided under the Healthy Michigan plan, under 2013 PA 107, or the state Medicaid
24 program, under Title XIX and Title XXI.

25

26 **INFORMATION TECHNOLOGY**

27 Sec. 8-1901. (1) The department shall submit a report on a semiannual basis to the
28 standard report recipients that lists the projects approved in the previous 6 months and
29 provides the purpose for approving each project including any federal, state, court, or
30 legislative requirement for each project.

31 (2) Once an award for an expansion of information technology is made, the department
32 shall submit a report to the standard report recipients that provides the projected cost of

1 the expansion broken down by use and type of expense.

2 Sec. 8-1902. (1) From the funds appropriated in part 1 for comprehensive child
3 welfare information system, the department shall submit a report not later than March 1 to
4 the standard report recipients. The report must include, but is not limited to, the
5 following:

6 (a) The total expenditures by fiscal year, from all sources, on the development of
7 the comprehensive child welfare information system.

8 (b) The expenditure plan for the subsequent fiscal year for the development,
9 implementation, and maintenance of the comprehensive child welfare information system.

10 (c) The details on upgrades, remediation of user-reported issues, and other
11 modifications to currently implemented modules of the comprehensive child welfare
12 information system that occurred during the current fiscal year and are planned for the
13 subsequent fiscal year.

14 (d) The current timeline for the full implementation of the comprehensive child
15 welfare information system.

16 (2) The department shall continue to provide the report described in subsection (1)
17 after the implementation of the comprehensive child welfare information system is complete
18 and operational.

19 Sec. 8-1903. From the funds appropriated in part 1 for Michigan statewide automated
20 child welfare information system, the department shall submit a report by not later than
21 March 1 to the standard report recipients. The report must include, but is not limited to,
22 the following:

23 (a) The current timeline for the phaseout of MiSACWIS and MiSACWIS's replacement by
24 the comprehensive child welfare information system.

25 (b) Expenditures, from all funding sources, for maintenance, upgrades, and
26 remediation of user-reported issues in the previous fiscal year. (c) Any cost savings
27 realized by decommissioning MiSACWIS.

28 Sec. 8-1906. From the funds appropriated in part 1 for information technology
29 services and projects, the department shall allocate \$1,750,000.00 general fund/general
30 purpose revenue, and all associated federal matching revenue, to a public and private
31 nonprofit collaboration that is designated as this state's statewide health information
32 exchange by cooperative agreement, to implement health information technology strategies

1 for health information exchange development, data management, and population health at a
2 statewide level.

3 Sec. 8-1909. (1) From the funds appropriated in part 1 for child support automation,
4 the department shall only encumber or expend funds for the operation, maintenance, and
5 improvements of the Michigan child support enforcement system.

6 (2) From the funds appropriated in part 1 for bridges information system, the
7 department shall only encumber or expend funds for the operation, maintenance, and
8 improvements of Bridges and MIBridges.

9 (3) From the funds appropriated in part 1 for Michigan Medicaid information system,
10 the department shall only encumber or expend funds for the operation, maintenance, and
11 improvements of the community health automated Medicaid processing system.

12 (4) From the funds appropriated in part 1 for Michigan statewide automated child
13 welfare information system, the department shall only encumber or expend funds for the
14 operation, maintenance, and improvements of MiSACWIS.

15 (5) From the funds appropriated in part 1 for comprehensive child welfare information
16 system, the department shall only encumber or expend funds for the operation, maintenance,
17 and improvements to the comprehensive child welfare information system.

18 (6) From the funds appropriated in part 1 for comprehensive child welfare information
19 system, the department shall continue development of a new information system to replace
20 MiSACWIS consistent with the plan provided by the department to the United States District
21 Court for Eastern District of Michigan as a part of the settlement. The development of the
22 comprehensive child welfare information system must adhere to department of technology,
23 management, and budget and information technology investment fund (ITIF) policies and
24 practices, including use of the state unified information technology environment
25 methodology and agile development. The project team shall also participate in and comply
26 with the enterprise portfolio management office process and product quality assurance. To
27 ensure full transparency, the project must be included in the ITIF portfolio for executive,
28 legislative, and external reporting purposes. As a component of the ITIF portfolio, the
29 project is subject to governance and oversight by the information technology investment
30 management board.

31

32 **ONE-TIME APPROPRIATIONS**

1 Sec. 8-1911. Unexpended and unencumbered funds appropriated in part 1 for nursing
2 facility staffing initiative are designated as work project appropriations. Any
3 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be
4 available for projects under this section until the work project has been completed. The
5 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
6 MCL 18.1451a:

7 (a) The purpose of the work project is to address chronic workforce shortages in
8 nursing facilities.

9 (b) The work project will be accomplished using resources or contracts with service
10 providers, or both.

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

12 (d) The tentative completion date for the work project is September 30, 2031.

13 Sec. 8-1912. (1) The funds appropriated in part 1 for community violence prevention-
14 gun safety and training shall be used to implement recommendations of the Michigan gun
15 violence prevention task force, created by executive order 2024-4.

16 (2) Unexpended and unencumbered funds appropriated in part 1 for community violence
17 prevention-gun safety and training are designated as work project appropriations. Any
18 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be
19 available for projects under this section until the work project has been completed. The
20 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
21 MCL 18.1451a:

22 (a) The purpose of the work project is to implement recommendations of the Michigan
23 gun violence prevention task force.

24 (b) The work project will be accomplished using state resources or contracts with
25 service providers, institutions of higher education, or other entities, as appropriate.

26 (c) The total estimated completion cost of the work project is \$2,500,000.00.

27 (d) The tentative completion date for the work project is September 30, 2031.

28 Sec. 8-1913. Unexpended and unencumbered funds appropriated as one-time in part 1 for
29 health services administration are designated as work project appropriations. Any
30 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be
31 available for projects under this section until the work project has been completed. The
32 following is in compliance with section 451a of the management and budget act, 1984 PA 431,

1 MCL 18.1451a:

2 (a) The purpose of the work project is to support the home help caregiver council and
3 related activities, fulfilling the requirements of the home help caregiver council act as
4 part of 2024 PA 144.

5 (b) The work project will be accomplished using state resources or contracts with
6 service providers or other entities.

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

8 (d) The tentative completion date for the work project is September 30, 2031.

9 Sec. 8-1914. (1) From the funds appropriated in part 1 for opioid response
10 activities, the department shall allocate \$62,750,000.00 from the Michigan opioid healing
11 and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL
12 12.253, to programs and services to address the opioid crisis in a manner consistent with
13 the opioid judgment, settlement, or compromise of claims pertaining to violations, or
14 alleged violations, of law related to the manufacture, marketing, distribution, dispensing,
15 or sale of opioids. The funds must be allocated as follows:

16 a. \$2,500,000 must be allocated for primary prevention activities, including:

17 i. \$1,000,000 for funding for public health communications and outreach to educate
18 and provide tools to parents to increase knowledge about the impact of substance use and
19 available resources.

20 ii. \$1,500,000 for supporting targeted resource development and capacity building to
21 maximize the impact of prevention investments.

22 b. \$5,000,000 must be allocated for harm reduction, including:

23 i. \$5,000,000 to continue reducing overdose deaths and preventing infectious disease
24 spread in communities most impacted by substance use through grants to remove overhead and
25 improve efficiency in delivering services.

26 c. \$17,000,000 must be allocated to substance use disorder treatment, including:

27 i. \$17,000,000 for increasing treatment retention and access to care by expanding
28 medications for opioid use disorder and crisis services throughout the state through
29 physical infrastructure, mobile service expansion, and programming support.

30 d. \$38,000,000 must be allocated for recovery investments, including

31 i. \$34,500,000 to invest in a series of transitional and permanent supportive
32 recovery housing new developments, acquisitions, and renovations throughout the state.

1 ii. \$3,500,000 to support housing, transportation, and benefits navigation assistance
2 for people in recovery.

3 e. \$250,000 must be allocated for informed decision-making and evaluation of
4 investments, including:

5 i. \$250,000 in supporting local government technical assistance and partnerships.

6 (2) Funds appropriated in part 1 for opioid response activities are designated as
7 work project appropriations. Any unencumbered or unallotted funds shall not lapse at the
8 end of the fiscal year and will be available for projects under this section until the work
9 project has been completed. The following is in compliance with section 451a of the
10 management and budget act, 1984 PA 431, MCL 18.1451a:

11 (a) The purpose of the work project is to address the opioid crisis in a manner
12 consistent with the opioid judgment, settlement, or compromise of claims pertaining to
13 violations, or alleged violations, of law related to the manufacture, marketing,
14 distribution, dispensing, or sale of opioids.

15 (b) The work project will be accomplished using resources or contracts with service
16 providers, or both.

17 (c) The total estimated completion cost of the work project is \$62,750,000.00.

18 (d) The tentative completion date for the work project is September 30, 2031.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

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.....	393.5		393.5
5 GROSS APPROPRIATION	\$ 82,333,800	\$	82,333,800
6 Total interdepartmental grants and intradepartmental			
7 transfers	791,600		791,600
8 ADJUSTED GROSS APPROPRIATION	\$ 81,542,200	\$	81,542,200
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	81,292,200		81,292,200
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.....	21.5		21.5
20 Unclassified salaries-6.0 FTE positions	\$ 1,013,800	\$	1,013,800
21 Administrative hearings	173,700		173,700
22 Department services-16.0 FTE positions	8,684,900		8,684,900
23 Executive director programs-5.5 FTE positions	1,527,100		1,527,100
24 Property management	1,318,700		1,318,700
25 Worker's compensation	1,200		1,200
26 GROSS APPROPRIATION	\$ 12,719,400	\$	12,719,400
27 Appropriated from:			
28 Special revenue funds:			
29 Other state restricted revenues	12,719,400		12,719,400
30 State general fund/general purpose	\$ 0	\$	0
31 Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION			
32 Full-time equated classified positions.....	372.0		372.0

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Consumer services and protection-108.0 FTE positions .	\$ 18,604,400	\$ 18,604,400
2 Financial institutions evaluation-132.0 FTE positions	24,966,000	24,966,000
3 Insurance evaluation-132.0 FTE positions	<u>22,413,300</u>	<u>22,413,300</u>
4 GROSS APPROPRIATION	\$ 65,983,700	\$ 65,983,700
5 Appropriated from:		
6 Interdepartmental grant revenues:		
7 IDG from department of licensing and regulatory		
8 affairs	791,600	791,600
9 Federal revenues:		
10 Other federal revenues	250,000	250,000
11 Special revenue funds:		
12 Other state restricted revenues	64,942,100	64,942,100
13 State general fund/general purpose	\$ 0	\$ 0
14 Sec. 9-104. INFORMATION TECHNOLOGY		
15 Information technology services and projects	\$ <u>3,630,700</u>	\$ <u>3,630,700</u>
16 GROSS APPROPRIATION	\$ 3,630,700	\$ 3,630,700
17 Appropriated from:		
18 Special revenue funds:		
19 Other state restricted revenues	3,630,700	3,630,700
20 State general fund/general purpose	\$ 0	\$ 0

1 PART 2

2 PROVISIONS CONCERNING APPROPRIATIONS

3 FISCAL YEAR 2027

4
5 **GENERAL SECTIONS**

6 Sec. 9-201. Pursuant to section 30 of article IX of the state constitution of 1963,
7 total state spending from state sources under part 1 for the fiscal year ending September
8 30,2027 is \$81,292,200.00 and state spending from state sources to be paid to local units
9 of government for fiscal year 2027 is \$0.00.

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

12 Sec. 9-203. As used in this part and part 1:

13 (a) "Department" means the department of insurance and financial services.

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

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

16 (d) "IDG" means interdepartmental grant.

17 (e) "Standard report recipients" means the senate and house appropriations
18 subcommittees on licensing and regulatory affairs and insurance and financial services, the
19 senate and house fiscal agencies, the senate and house policy offices, and the state budget
20 office.

21 Sec. 9-204. A department or agency shall use the internet to fulfill the reporting
22 requirements of this part and shall make each report readily accessible to the public and
23 conspicuously post each required report in a single archivable location on the department's
24 or agency's Michigan.gov website not later than the due date required for each report. In
25 addition to placing all reports required in the current fiscal year on the department's or
26 agency's website, the department or agency shall maintain on its website all reports placed
27 on the website from previous fiscal years posted by fiscal year in the same single
28 archivable location. The department or agency shall also transmit all required reports for
29 the current fiscal year to the standard recipients and any other required recipients by
30 email.

31 Sec. 9-205. To the extent permissible under section 261 of the management and budget
32 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds

1 appropriated in part 1:

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

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

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

10 Sec. 9-206. (1) The department shall maximize utilization of its in-person state
11 workforce. The department shall prioritize occupancy utilization of office space for each
12 division within the department. Employees with job responsibilities that require the
13 employees to serve in their capacities outside of an office shall be monitored each pay
14 period to ensure all work hours reported on the timesheet were actually worked.

15 (2) The department shall comply with requirements set forth by the office of the
16 state employer on in-person work and utilization and occupancy rates of state buildings to
17 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
18 market conditions.

19 (3) The department shall adhere to civil service rules and regulations that state the
20 standard biweekly work period for a full-time employee in the classified service of this
21 state is the equivalent of 80.0 hours of work. The department shall establish policies and
22 processes to ensure all employees are working their jobs during agreed upon business hours.

23 Sec. 9-207. Consistent with section 217 of the management and budget act, 1984 PA
24 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
25 prepare a report on out of state travel expenses not later than January 1. The report must
26 list all travel by classified and unclassified employees outside this state in the previous
27 fiscal year that was funded in whole or in part with funds appropriated in the department's
28 or agency's budget. The department or agency shall submit the report to the standard report
29 recipients and to the house and senate appropriations committees. The report must include
30 all of the following information:

31 (a) The dates of each travel occurrence.

32 (b) The total transportation and related expenses of each travel occurrence and the

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

3 Sec. 9-208. Not later than 6 months after the state budget office issues work project
4 letters, a department, agency and the legislature shall submit an annual report that
5 summarizes all work project accounts. The report must include all of the following:

6 (a) A list of all work project accounts.

7 (b) The status of all work project accounts, including amounts expended, amounts
8 encumbered, and available balances for each account.

9 (c) The amount of funds that lapsed from any previously designated work project
10 accounts, the name and description of the work project account, and the funds that received
11 the lapsed amounts.

12 Sec. 9-209. 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 appropriations
18 committees.

19 Sec. 9-210. (1) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$300,000.00 for federal contingency funds. These funds
21 are not available for expenditure until they have been transferred to another line item in
22 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
23 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
25 not to exceed \$5,000,000.00 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 Sec. 9-211. A department or agency shall cooperate with the department of technology,
29 management and budget to maintain a searchable website accessible by the public at no cost
30 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

3 Sec. 9-212. (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 Sec. 9-213. 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. 9-214. The department must provide an annual report to the standard report
17 recipients detailing significant federal policy changes that do, or are expected to
18 significantly impact the operations of the department, including reductions in federal
19 revenue and/or changes that are likely to lead to a reduction in the department's ability
20 to safeguard the health or welfare of the public.

21 Sec. 9-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
22 agencies shall provide to the state budget office a jointly agreed upon list of
23 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
24 of 2025. The list must include all information and documents pertaining to the funded items
25 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

26 (2) In accordance with section 364(4) of the Management and Budget Act, the
27 department or agency administering the grant shall post a report in a publicly accessible
28 location on its website beginning March 15 of the current fiscal year. The department or
29 agency shall update the report and shall post an updated report not later than June 15 of
30 the current fiscal year and again not later than September 15 of the current fiscal year.
31 The department shall include in the report the most comprehensive information the
32 department has available at the time of posting for grants awarded.

1 Sec. 9-216. 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. 9-217. The state budget director shall take steps to ensure that all state
8 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
9 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
10 recovery funds that would otherwise lapse after September 30, 2026, are automatically
11 reappropriated for the same purpose as originally authorized and available for expenditure
12 through December 31, 2026, and any subsequent financial close out period.

13 Sec. 9-218. (1) The state budget director shall take steps to ensure that all state
14 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
15 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
16 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
17 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
18 that may include, but are not limited to, completed projects coming in under budget or
19 funds unable to be fully used by subrecipients. The state budget director shall reallocate
20 any of the funds reallocated under this subsection to the programs or purposes specified in
21 this section. Any funds reallocated are unappropriated and immediately reappropriated for
22 the following purposes:

23 (a) To reclassify general fund/general purpose appropriations for payroll and covered
24 benefits for eligible public health and safety employees at the department of corrections.

25 (b) To reclassify general fund/general purpose appropriations for payroll and covered
26 benefits for eligible public health and safety employees at the department of state police.

27 (2) All applicable guidance, implementation, and reporting provisions of Public Law
28 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
29 subsection (1).

30 (3) The state budget director shall notify the senate and house appropriations
31 committees not later than 10 business days after making any reallocations under subsection
32 (1). The notification must include the authorized program under which funds were originally

1 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
2 department to which the funds are being reallocated under subsection (1), and the amount
3 reallocated to each program or purpose.

4 Sec. 9-220. Unless prohibited by law, the department may accept credit card or other
5 electronic means of payment for licenses, fees, or permits.

6

7 **INSURANCE AND FINANCIAL SERVICES REGULATION**

8 Sec. 9-301. The annual health insurance rate change report prepared pursuant to 45
9 CFR 154.301(b) must include the total number of objections issued by the department.

10 Sec. 9-302. In addition to the funds appropriated in part 1, the funds collected by
11 the department in connection with a conservatorship under section 32 of the mortgage
12 brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
13 collected by the department from corporations being liquidated under the insurance code of
14 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary
15 to provide for the required services. Funds are available for expenditure when they are
16 received by the department of treasury and must not lapse to the general fund at the end of
17 the fiscal year. The total amount appropriated under this section and section 9-303 must
18 not exceed \$600,000.00.

19 Sec. 9-303. The department may make available to interested entities customized
20 listings of nonconfidential information in its possession. The department may establish and
21 collect a reasonable charge to provide this service. The revenue from this service is
22 appropriated when received and must be used to offset expenses to provide the service. Any
23 balance of this revenue collected and unexpended at the end of the fiscal year must lapse
24 to the appropriate restricted fund. The total amount appropriated under this section and
25 section 9-302 must not exceed \$600,000.00.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	JUDICIARY	
2	APPROPRIATION SUMMARY	
3	Full-time equated exempted positions.....	683.5 683.5
4	GROSS APPROPRIATION	\$ 391,258,400 \$ 391,258,400
5	Total interdepartmental grants and intradepartmental	
6	transfers	1,902,300 1,902,300
7	ADJUSTED GROSS APPROPRIATION	\$ 389,356,100 \$ 389,356,100
8	Total federal revenues	7,323,000 7,323,000
9	Total local revenues	0 0
10	Total private revenues	1,912,900 1,912,900
11	Total other state restricted revenues	96,879,600 96,879,600
12	State general fund/general purpose	\$ 283,240,600 \$ 283,240,600
13	<i>State general fund/general purpose schedule:</i>	
14	<i>Ongoing state general fund/general purpose</i>	<i>283,240,600 283,240,600</i>
15	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
16	Sec. 10-102. SUPREME COURT	
17	Full-time equated exempted positions.....	329.0 329.0
18	Community dispute resolution-4.0 FTE positions	\$ 3,584,100 \$ 3,584,100
19	Drug treatment courts-2.0 FTE positions	13,423,400 13,423,400
20	Foster care review board-10.0 FTE positions	1,482,600 1,482,600
21	Jail reform advisory support-1.0 FTE position	163,400 163,400
22	Judicial information systems-113.0 FTE positions	23,410,100 23,410,100
23	Judicial institute-17.0 FTE positions	2,968,600 2,968,600
24	Justice for all initiative-2.0 FTE positions	1,547,000 1,547,000
25	Mental health courts and diversion services-1.0	
26	FTE position.....	5,855,700 5,855,700
27	Michigan legal help	1,000,000 1,000,000
28	Next generation Michigan court system	4,116,000 4,116,000
29	Other federal grants	275,100 275,100
30	State court administrative office-83.0 FTE positions .	15,994,000 15,994,000
31	Supreme court administration-96.0 FTE positions	17,059,100 17,059,100
32	Swift and sure sanctions program	1,537,600 1,537,600

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Veterans courts	1,089,300	1,089,300
2	GROSS APPROPRIATION	\$ 93,506,000	\$ 93,506,000
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	IDG from department of corrections	52,300	52,300
6	IDG from department of state police	1,600,000	1,600,000
7	Federal revenues:		
8	Other federal revenues	6,739,200	6,739,200
9	Special revenue funds:		
10	Private revenues	1,444,500	1,444,500
11	Other state restricted revenues	8,128,500	8,128,500
12	State general fund/general purpose	\$ 75,541,500	\$ 75,541,500
13	Sec. 10-103. COURT OF APPEALS		
14	Full-time equated exempted positions.....	179.0	179.0
15	Court of appeals operations-179.0 FTE positions	\$ 28,391,900	\$ 28,391,900
16	GROSS APPROPRIATION	\$ 28,391,900	\$ 28,391,900
17	Appropriated from:		
18	Special revenue funds:		
19	State general fund/general purpose	\$ 28,391,900	\$ 28,391,900
20	Sec. 10-104. BRANCHWIDE APPROPRIATIONS		
21	Full-time equated exempted positions.....	6.0	6.0
22	Branchwide appropriations-6.0 FTE positions	\$ 10,398,400	\$ 10,398,400
23	GROSS APPROPRIATION	\$ 10,398,400	\$ 10,398,400
24	Appropriated from:		
25	Special revenue funds:		
26	State general fund/general purpose	\$ 10,398,400	\$ 10,398,400
27	Sec. 10-105. JUSTICES' AND JUDGES' COMPENSATION		
28	Full-time judges positions.....	591.0	591.0
29	Supreme court justices' salaries-7.0 justices	\$ 1,270,500	\$ 1,270,500
30	Circuit court judges' state base salaries-223.0 judges	32,563,500	32,563,500
31	Circuit court judicial salary standardization	10,196,800	10,196,800
32	Court of appeals judges' salaries-25.0 judges	5,188,500	5,188,500

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 District court judges' state base salaries-232.0		
2 judges	33,877,700	33,877,700
3 District court judicial salary standardization	10,608,600	10,608,600
4 Probate court judges' state base salaries-104.0 judges	15,060,600	15,060,600
5 Probate court judicial salary standardization	4,715,300	4,715,300
6 Judges' retirement system defined contributions	9,734,600	9,734,600
7 OASI, social security	<u>8,661,600</u>	<u>8,661,600</u>
8 GROSS APPROPRIATION	\$ 131,877,700	\$ 131,877,700
9 Appropriated from:		
10 Special revenue funds:		
11 Other state restricted revenues	3,119,300	3,119,300
12 State general fund/general purpose	<u>\$ 128,758,400</u>	<u>\$ 128,758,400</u>
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>\$ 2,995,100</u>	<u>\$ 2,995,100</u>
16 GROSS APPROPRIATION	\$ 2,995,100	\$ 2,995,100
17 Appropriated from:		
18 Special revenue funds:		
19 State general fund/general purpose	<u>\$ 2,995,100</u>	<u>\$ 2,995,100</u>
20 Sec. 10-107. INDIGENT DEFENSE - CRIMINAL		
21 Full-time equated exempted positions.....	129.5	129.5
22 Appellate public defender program-97.0 FTE positions .	<u>\$ 18,224,900</u>	<u>\$ 18,224,900</u>
23 Juvenile life resentencing-32.5 FTE positions	5,621,200	5,621,200
24 Michigan appellate assigned counsel system roster		
25 attorney compensation grants	<u>4,408,100</u>	<u>4,408,100</u>
26 GROSS APPROPRIATION	\$ 28,254,200	\$ 28,254,200
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, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Private revenues	468,400	468,400
2 Other state restricted revenues	172,400	172,400
3 State general fund/general purpose	\$ 26,779,600	\$ 26,779,600
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	6,619,900	6,619,900
18 Statewide e-file system-25.0 FTE positions	<u>12,097,500</u>	<u>12,097,500</u>
19 GROSS APPROPRIATION	\$ 87,898,100	\$ 87,898,100
20 Appropriated from:		
21 Special revenue funds:		
22 Other state restricted revenues	77,522,400	77,522,400
23 State general fund/general purpose	\$ 10,375,700	\$ 10,375,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$380,120,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$169,486,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

Drug treatment courts.....	\$	9,373,400
Judicial information systems.....		17,319,100
Mental health courts and diversion services.....		5,855,700
Next generation Michigan court system.....		4,116,000
State court administrative office.....		200,000
Swift and sure sanctions program.....		1,537,600
Veterans courts.....		1,089,300
Circuit court judicial salary standardization.....		10,196,800
District court judicial salary standardization.....		10,608,600
Probate court judges' state base salaries.....		15,060,600
Probate court judicial salary standardization.....		4,715,300
OASI, social security.....		1,515,900
Court equity fund reimbursements.....		60,815,700
Drug case-flow program.....		250,000
Drunk driving case-flow program.....		3,300,000
Judicial technology improvement fund.....		4,815,000
Juror compensation reimbursement.....		6,619,900
Statewide e-file system.....		<u>12,097,500</u>
TOTAL	\$	169,486,400

Sec. 10-202. 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. 10-203. As used in this part and part 1:

2 (a) "FTE" means full-time equated exempted positions.

3 (b) "IDG" means interdepartmental grant.

4 (c) "OASI" means old age survivor's insurance.

5 (d) "Standard report recipients" means the senate and house appropriations
6 subcommittees on the judiciary budget, the senate and house fiscal agencies, the senate and
7 house policy offices, and the state budget office.

8 Sec. 10-204. The judicial branch shall use the internet to fulfill the reporting
9 requirements of this part and shall make each report readily accessible to the public and
10 conspicuously post each required report on the branch's website not later than the
11 applicable due date. In addition, the judicial branch shall maintain on its website reports
12 posted in previous fiscal years. The judicial branch shall also transmit all required
13 reports under this part to the standard report recipients and any other required recipients
14 by email.

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

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

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

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

26 Sec. 10-206. The state court administrative office shall prepare a report on out-of-
27 state travel expenses not later than January 1. The report must list all travel outside
28 this state by judicial branch employees in the previous fiscal year that was funded in
29 whole or in part with funds appropriated in the judicial branch's budget. The state court
30 administrative office shall submit the report to the standard report recipients and to the
31 senate and house appropriations committees. The report must include all of the following
32 information:

1 (a) The dates of each travel occurrence.

2 (b) The total transportation and related expenses of each travel occurrence and the
3 proportions funded with state general fund/general purpose revenues, state restricted
4 revenues, federal revenues, local revenues, and private revenues, including specific
5 sources of state restricted, federal, local, and private revenues.

6 Sec. 10-207. Not later than December 15, the judicial branch shall prepare and submit
7 a report that provides estimates of the total general fund/general purpose appropriation
8 lapses at the close of the previous fiscal year. The report must summarize the projected
9 year-end general fund/general purpose appropriation lapses by major judicial program or
10 program areas. The report shall be submitted to the standard report recipients and to the
11 chairpersons of the senate and house appropriations committees. In lieu of direct
12 submission, the judicial branch may coordinate the completion and submission of the report
13 with the state budget office.

14 Sec. 10-208. From the funds appropriated in part 1, the judicial branch shall
15 maintain a searchable website accessible by the public at no cost that posts all of the
16 expenditures made by the judicial branch within a fiscal year. A post must include the
17 purpose for the expenditure. The judicial branch shall not provide financial information on
18 the public website that would violate a federal or state law, rule, regulation, or
19 guideline that establishes privacy or security standards applicable to that financial
20 information.

21 Sec. 10-214. Not later than 6 months after the state budget office issues work
22 project letters, the judicial branch shall submit an annual report that summarizes all work
23 project accounts. The report must include all of the following:

24 (a) A list of all work project accounts.

25 (b) The status of all work project accounts, including amounts expended, amounts
26 encumbered, and available balances for each account.

27 (c) The amount of funds that lapsed from any previously designated work project
28 accounts, the name and description of the work project account, and the funds that received
29 the lapsed amounts.

30 Sec. 10-215. (1) Funds appropriated in part 1 to an entity in the judicial branch
31 must not be expended or transferred to another account without written approval of the
32 authorized agent of the judicial entity. If the authorized agent of the judicial entity

1 notifies the state budget director of its approval of an expenditure or transfer, the state
2 budget director shall immediately make the expenditure or transfer. The authorized judicial
3 entity agent shall be designated by the chief justice of the supreme court.

4 (2) Funds appropriated to the judicial branch must not be expended by a component in
5 the judicial branch without the approval of the supreme court.

6 Sec. 10-217. The chief justice shall take steps to ensure that all state fiscal
7 recovery funds received under the American rescue plan act of 2021, Public Law 117-2 by the
8 judicial branch are expended by December 31, 2026, as required by law. Any state fiscal
9 recovery funds that would otherwise lapse after September 30, 2026 are automatically
10 reappropriated for the same purpose as originally authorized and available for expenditure
11 through December 31, 2026 and any subsequent financial close out period.

12

13 **JUDICIAL BRANCH**

14 Sec. 10-301. From the funds appropriated in part 1 for the judicial branch,
15 \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL
16 800.453, and for costs associated with the court of claims.

17 Sec. 10-302. A member of the legislature may request a report or data from the data
18 collected in the judicial data warehouse. The report must be made available to the public
19 upon request, unless disclosure is prohibited by court order or state or federal law. If
20 data is provided under this section, the data must be public and nonidentifying
21 information, as determined by the state court administrative office. As used in this
22 section, "nonidentifying information" means information that does not include personal
23 information that, if released, would be considered invasion of privacy.

24 Sec. 10-303. From the funds appropriated in part 1 for community dispute resolution,
25 community dispute resolution centers shall provide dispute resolution services specified in
26 the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, help reduce
27 suspensions and truancy, and improve school environment. The funds appropriated in part 1
28 for community dispute resolution may be used to develop or expand juvenile diversion
29 services in coordination with local prosecutors.

30 Sec. 10-304. If funds in the court fee fund are insufficient to pay judges'
31 compensation, the difference between the appropriated amount from that fund for judges'
32 compensation and the actual amount available after the amount appropriated for trial court

1 reimbursement is made is appropriated from the state general fund for judges' compensation.
2 If an appropriation from the state general fund is necessary under this section, not later
3 than 14 days after the appropriation, the state court administrative office shall submit a
4 report to the standard report recipients and the senate and house appropriations
5 committees.

6 Sec. 10-305. From the funds appropriated in part 1, the state court administrative
7 office shall submit a report on drug treatment, mental health, and veterans court programs
8 in this state not later than March 1. The report must include all of the following
9 information for each individual court, by program:

- 10 (a) The number of each type of program.
- 11 (b) The number of program participants.
- 12 (c) The impact of the programs on offender criminal involvement and recidivism.
- 13 (d) An accounting of previous fiscal year expenditures, including grant amounts
14 requested, grant amounts awarded, and grant amounts expended.

15 Sec. 10-306. (1) The funds appropriated in part 1 for drug treatment courts must be
16 administered by the state court administrative office to operate drug treatment court
17 programs. A drug treatment court shall use all available county and state personnel
18 involved in the disposition of cases, including, but not limited to, parole and probation
19 agents, prosecuting attorneys, defense attorneys, and community corrections providers. The
20 funds may be used in connection with other federal, state, and local funding sources.

21 (2) From the funds appropriated in part 1, the chief justice shall allocate
22 sufficient funds for the Michigan judicial institute to provide in-state training for those
23 identified in subsection (1) and new drug treatment court judges.

24 (3) The state court administrative office may prioritize funding for courts that have
25 a higher number of filed substance use disorder cases.

26 (4) To assist the department of corrections and avoid prison bed space growth for
27 nonviolent offenders, the judicial branch shall receive \$1,500,000.00 in Byrne formula
28 grant funding through an interdepartmental grant from the department of state police to be
29 used to support drug treatment court costs consistent with Byrne grant program criteria.

30 Sec. 10-307. (1) From the funds appropriated in part 1 for swift and sure sanctions
31 programs, the state court administrative office shall administer a program to distribute
32 grants to qualifying courts in accordance with the objectives and requirements of the

1 probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927
2 PA 175, MCL 771A.1 to 771A.8. Courts interested in participating in the swift and sure
3 sanctions program may apply to the state court administrative office for a portion of the
4 funds appropriated in part 1 under this section.

5 (2) Not later than March 1, the state court administrative office, in coordination
6 with the department of corrections, shall submit a report on the swift and sure sanctions
7 program that includes all of the following information for each individual court, by
8 program:

9 (a) A list of courts that participate in the program.

10 (b) The number of offenders who participate in the program.

11 (c) The criminal history of offenders who participate in the program.

12 (d) The recidivism rate of offenders who participate in the program, including the
13 rate of return to jail, prison, or both.

14 (e) A detailed description of the establishment and parameters of the program.

15 (f) An accounting of previous fiscal year expenditures, including, but not limited
16 to, grant amounts requested by the courts, grant amounts awarded to the courts, and grant
17 amounts expended by the courts.

18 Sec. 10-308. From the funds appropriated in part 1, the judicial branch shall support
19 a statewide legal self-help internet website and local nonprofit self-help centers that use
20 the statewide website to provide assistance to individuals who represent themselves in
21 civil legal proceedings. The state court administrative office shall summarize the costs to
22 maintain the website, provide statistics on the number of individuals who visit the
23 website, and provide information on content usage, form completion, and user feedback not
24 later than March 1 for the previous fiscal year.

25 Sec. 10-309. From the funds appropriated in part 1, the state court administrative
26 office shall submit a report on the statewide judicial case management system not later
27 than March 1. The report must provide a status update on development and implementation of
28 the statewide judicial case management system and must include all appropriation and
29 expenditure data for all previous and the current fiscal years.

30 Sec. 10-310. The state court administrative office shall not impose local user fees
31 or collect local user fees from trial courts that are using the statewide judicial case
32 management system.

1 Sec. 10-311. (1) If Byrne formula grant funding is awarded to the state appellate
2 defender office in excess of the amount appropriated in part 1, the state appellate
3 defender office may receive and expend not more than \$250,000.00 of Byrne formula grant
4 funds as an interdepartmental grant from the department of state police.

5 (2) If the state appellate defender office receives federal grant funding from the
6 United States Department of Justice in excess of the amount appropriated in part 1, the
7 state appellate defender office may receive and expend not more than \$300,000.00 in federal
8 grant funds.

9 Sec. 10-313. (1) From the funds appropriated in part 1, the state appellate defender
10 office shall operate the program to ensure this states compliance with Montgomery v
11 Louisiana, 577 US 190 (2016), People v Parks, 510 Mich 225 (2022), People v Stovall, 510
12 Mich 301 (2022), People v Poole, ___ Mich App ___ (2025), People v Czarnecki, ___ Mich___
13 (2025), and People v Taylor, ___ Mich ___ (2025). The purpose of the program is to ensure
14 competent, resourced, and supervised counsel in cases that involve resentencing individuals
15 who are serving a life sentence for an offense committed when the individuals were 20 years
16 of age or younger.

17 (2) The state appellate defender office shall submit a report not later than March 1
18 on the number of cases investigated and prepared by the state appellate defender office
19 under subsection (1). The report must include a calculation of the hours spent and the
20 incremental costs associated with the investigation and robust examination of each case.

21 Sec. 10-314. (1) The funds appropriated in part 1 for Michigan appellate assigned
22 counsel system roster attorney compensation grants must be deposited into the restricted
23 Michigan appellate assigned counsel system attorney compensation fund created in subsection
24 (2).

25 (2) The Michigan appellate assigned counsel system attorney compensation fund is
26 created in the state treasury. The state treasurer may receive money or other assets from
27 any source for deposit into the fund. The state treasurer shall direct the investment of
28 the fund and credit to the fund interest and earnings from fund investments. Unexpended
29 funds at the close of the fiscal year must remain in the fund and shall not lapse to the
30 general fund. The judicial branch shall be the administrator of the fund for auditing
31 purposes. The judicial branch shall expend money from the fund to provide payments to
32 indigent defense systems as provided under section 8a of the appellate defender act, 1978

1 PA 620, MCL 780.718a.

2 (3) All funds available in the Michigan appellate assigned counsel system attorney
3 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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
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.....	2,607.0 2,607.0
5	GROSS APPROPRIATION	\$ 1,682,109,700 \$ 1,657,609,700
6	Total interdepartmental grants and intradepartmental	
7	transfers	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 1,682,109,700 \$ 1,657,609,700
9	Total federal revenues	1,190,870,600 1,190,870,600
10	Total local revenues	6,200,000 6,200,000
11	Total private revenues	8,097,200 8,097,200
12	Total other state restricted revenues	295,779,500 293,779,500
13	State general fund/general purpose	\$ 181,162,400 \$ 158,662,400
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>158,662,400 158,662,400</i>
16	<i>One-time state general fund/general purpose</i>	<i>22,500,000 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.....	75.0 75.0
20	Unclassified salaries-34.5 FTE positions	\$ 5,015,500 \$ 5,015,500
21	Executive direction and operations-75.0 FTE positions	10,975,600 10,975,600
22	Property management	<u>7,458,000 7,458,000</u>
23	GROSS APPROPRIATION	\$ 23,449,100 \$ 23,449,100
24	Appropriated from:	
25	Federal revenues:	
26	Other federal revenues	12,804,600 12,804,600
27	Special revenue funds:	
28	Other state restricted revenues	7,367,400 7,367,400
29	State general fund/general purpose	\$ 3,277,100 \$ 3,277,100
30	Sec. 11-103. WORKFORCE DEVELOPMENT	
31	Full-time equated classified positions.....	240.0 240.0
32	23+ high school diploma program	\$ 2,000,000 \$ 2,000,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 At-risk youth grants	5,184,500	5,184,500
2 Community and worker economic transition office-10.0		
3 FTE positions	2,252,600	2,252,600
4 High school equivalency-to-school program	250,000	250,000
5 Michigan office of rural prosperity-1.0 FTE position .	2,302,100	2,302,100
6 MiSTEM advisory council-3.0 FTE positions	674,600	674,600
7 Office of future mobility and electrification-5.0		
8 FTE positions	1,500,000	1,500,000
9 Rural development fund grant program-1.0 FTE position	2,014,900	2,014,900
10 Workforce development-220.0 FTE positions	<u>459,078,800</u>	<u>459,078,800</u>
11 GROSS APPROPRIATION	\$ 475,257,500	\$ 475,257,500
12 Appropriated from:		
13 Federal revenues:		
14 Other federal revenues	415,802,700	415,802,700
15 Special revenue funds:		
16 Local revenues	300,000	300,000
17 Private revenues	5,001,300	5,001,300
18 Other state restricted revenues	4,183,500	4,183,500
19 State general fund/general purpose	<u>\$ 49,970,000</u>	<u>\$ 49,970,000</u>
20 Sec. 11-104. REHABILITATION SERVICES		
21 Full-time equated classified positions.....	669.0	669.0
22 Bureau of services for blind persons-116.0 FTE		
23 positions	<u>\$ 30,597,200</u>	<u>\$ 30,597,200</u>
24 Centers for independent living	18,718,600	18,718,600
25 Michigan rehabilitation services-553.0 FTE positions .	155,220,500	155,220,500
26 Subregional libraries state aid	<u>451,800</u>	<u>451,800</u>
27 GROSS APPROPRIATION	\$ 204,988,100	\$ 204,988,100
28 Appropriated from:		
29 Federal revenues:		
30 Other federal revenues	157,206,400	157,206,400
31 Special revenue funds:		
32 Local revenues	5,400,000	5,400,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Private revenues	643,300	643,300
2 Other state restricted revenues	466,200	466,200
3 State general fund/general purpose	\$ 41,272,200	\$ 41,272,200
4 Sec. 11-105. EMPLOYMENT SERVICES		
5 Full-time equated classified positions.....	405.0	405.0
6 Bureau of employment relations-22.0 FTE positions	\$ 4,718,200	\$ 4,718,200
7 Compensation supplement fund	820,000	820,000
8 First responder presumed coverage claims	6,500,000	6,500,000
9 Insurance funds administration-21.0 FTE positions	4,525,300	4,525,300
10 Michigan occupational safety and health administration		
11 217.0 FTE positions	41,384,700	41,384,700
12 Office of global Michigan-15.0 FTE positions	41,980,700	41,980,700
13 Private and occupational distance learning-3.0		
14 FTE positions	989,700	989,700
15 Radiation safety section-26.0 FTE positions	4,206,100	4,206,100
16 Wage and hour program-33.0 FTE positions	4,781,500	4,781,500
17 Workers' compensation board of magistrates-10.0		
18 FTE positions	2,341,500	2,341,500
19 Workers' disability compensation agency-56.0		
20 FTE positions	10,255,300	10,255,300
21 Workers' disability compensation appeals commission-2.0		
22 FTE positions	<u>363,700</u>	<u>363,700</u>
23 GROSS APPROPRIATION	\$ 122,866,700	\$ 122,866,700
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	55,679,200	55,679,200
27 Special revenue funds:		
28 Other state restricted revenues	57,569,800	57,569,800
29 State general fund/general purpose	\$ 9,617,700	\$ 9,617,700
30 Sec. 11-106. UNEMPLOYMENT		
31 Full-time equated classified positions.....	738.0	738.0
32 Unemployment insurance agency-728.0 FTE positions	\$ 294,287,000	\$ 294,287,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Unemployment insurance agency - advocacy assistance ..	1,500,000	1,500,000
2 Unemployment insurance appeals commission-10.0		
3 FTE positions	<u>4,430,600</u>	<u>4,430,600</u>
4 GROSS APPROPRIATION	\$ 300,217,600	\$ 300,217,600
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	280,270,300	280,270,300
8 Special revenue funds:		
9 Other state restricted revenues	19,947,300	19,947,300
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		
14 FTE position.....	\$ 225,900	\$ 225,900
15 Commission on Middle Eastern American affairs-1.0		
16 FTE position.....	216,700	216,700
17 Hispanic/Latino commission of Michigan-1.0		
18 FTE position.....	298,500	298,500
19 Michigan community service commission-14.0		
20 FTE positions	19,622,300	19,622,300
21 Michigan women's commission-2.0 FTE positions	1,548,900	1,548,900
22 Prosperity-4.0 FTE positions	<u>922,000</u>	<u>922,000</u>
23 GROSS APPROPRIATION	\$ 22,834,300	\$ 22,834,300
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	18,184,400	18,184,400
27 Special revenue funds:		
28 Private revenues	1,552,600	1,552,600
29 State general fund/general purpose	\$ 3,097,300	\$ 3,097,300
30 Sec. 11-108. INFORMATION TECHNOLOGY		
31 Information technology services and projects	<u>\$ 31,082,100</u>	<u>\$ 31,082,100</u>
32 GROSS APPROPRIATION	\$ 31,082,100	\$ 31,082,100

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Appropriated from:		
2	Federal revenues:		
3	Other federal revenues	27,339,700	27,339,700
4	Special revenue funds:		
5	Other state restricted revenues	2,844,200	2,844,200
6	State general fund/general purpose	\$ 898,200	\$ 898,200
7	Sec. 11-109. MICHIGAN STRATEGIC FUND		
8	Full-time equated classified positions.....	130.0	130.0
9	Arts and cultural program	\$ 3,708,800	\$ 3,708,800
10	Business attraction and community revitalization	59,350,000	59,350,000
11	Community college skilled trades equipment program ...	3,017,500	3,017,500
12	Entrepreneurship ecosystem	15,650,000	15,650,000
13	Facility for rare isotope beams	7,300,000	7,300,000
14	Job creation services-130.0 FTE positions	36,193,700	36,193,700
15	Lighthouse preservation program	250,000	250,000
16	Michigan office of defense and aerospace innovation ..	4,000,000	4,000,000
17	Pure Michigan	<u>17,000,000</u>	<u>17,000,000</u>
18	GROSS APPROPRIATION	\$ 146,470,000	\$ 146,470,000
19	Appropriated from:		
20	Federal revenues:		
21	Other federal revenues	5,950,000	5,950,000
22	Special revenue funds:		
23	Local revenues	500,000	500,000
24	Private revenues	900,000	900,000
25	21st century jobs fund	75,000,000	75,000,000
26	Other state restricted revenues	15,617,500	15,617,500
27	State general fund/general purpose	\$ 48,502,500	\$ 48,502,500
28	Sec. 11-110. MICHIGAN STATE HOUSING DEVELOPMENT		
29	AUTHORITY		
30	Full-time equated classified positions.....	318.0	318.0
31	Community development block grants	\$ 47,000,000	\$ 47,000,000
32	Housing and rental assistance-318.0 FTE positions	52,875,700	52,875,700

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Michigan housing and community development program ...	50,000,000	50,000,000
2 MSHDA technology services and projects	3,772,600	3,772,600
3 Payments on behalf of tenants	166,860,000	166,860,000
4 Property management	<u>3,506,100</u>	<u>3,506,100</u>
5 GROSS APPROPRIATION	\$ 324,014,400	\$ 324,014,400
6 Appropriated from:		
7 Federal revenues:		
8 Other federal revenues	216,633,300	216,633,300
9 Special revenue funds:		
10 Other state restricted revenues	107,381,100	107,381,100
11 State general fund/general purpose	\$ 0	\$ 0
12 Sec. 11-111. STATE LAND BANK AUTHORITY		
13 Full-time equated classified positions.....	9.0	9.0
14 State land bank authority-9.0 FTE positions	<u>\$ 6,429,900</u>	<u>\$ 6,429,900</u>
15 GROSS APPROPRIATION	\$ 6,429,900	\$ 6,429,900
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	1,000,000	1,000,000
19 Special revenue funds:		
20 Other state restricted revenues	3,402,500	3,402,500
21 State general fund/general purpose	\$ 2,027,400	\$ 2,027,400
22 Sec. 11-112. ONE-TIME APPROPRIATIONS		
23 Arts and cultural program	\$ 10,000,000	\$ 0
24 Michigan office of defense and aerospace innovation ..	1,000,000	0
25 Museums support	1,500,000	0
26 Office of future mobility and electrification	4,000,000	0
27 Rural development fund grant program	2,000,000	0
28 Special events and national convention attraction	<u>6,000,000</u>	<u>0</u>
29 GROSS APPROPRIATION	\$ 24,500,000	\$ 0
30 Appropriated from:		
31 Special revenue funds:		
32 Other state restricted revenues	2,000,000	0

		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	State general fund/general purpose	\$ 22,500,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

GENERAL SECTIONS

Sec. 11-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2027 is \$476,941,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$39,799,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

At-risk youth grants.....	\$	5,184,500
Rural development fund grant program.....		3,400,000
Workforce development.....		28,000,000
Michigan rehabilitation services.....		275,000
Arts and cultural program.....		<u>2,940,000</u>
TOTAL	\$	39,799,500

Sec. 11-202. 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. 11-203. As used in this article:

(a) "Department" means the department of labor and economic opportunity and entities contained within its organization, including, but not limited to, the fund.

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

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

(d) "Fund", unless the context clearly implies a different meaning, means the Michigan strategic fund.

(e) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the fund.

1 (f) "MEGA" means the Michigan economic growth authority.

2 (g) "MiSTEM" means Michigan science, technology, engineering, and mathematics.

3 (h) "MSHDA" means the Michigan state housing development authority.

4 (i) "PATH" means Partnership. Accountability. Training. Hope.

5 (j) "Standard report recipients" means the senate and house appropriations
6 subcommittees on labor and economic opportunity, the senate and house fiscal agencies, the
7 senate and house policy offices, and the state budget office.

8 (k) "STEM" means science, technology, engineering, and mathematics.

9 (l) "USDOL" means the United States Department of Labor.

10 Sec. 11-204. A department or agency shall use the internet to fulfill the reporting
11 requirements of this part and shall make each report readily accessible to the public and
12 conspicuously post each required report in a single archivable location on the department's
13 or agency's Michigan.gov website not later than the due date required for each report. In
14 addition to placing all reports required in the current fiscal year on the department's or
15 agency's website, the department or agency shall maintain on its website all reports placed
16 on the website from previous fiscal years posted by fiscal year in the same single
17 archivable location. The department or agency shall also transmit all required reports for
18 the current fiscal year to the standard recipients and any other required recipients by
19 email.

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

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

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

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

31 Sec. 11-206. (1) The department shall maximize utilization of its in-person state
32 workforce. The department shall prioritize occupancy utilization of office space for each

1 division within the department. Employees with job responsibilities that require the
2 employees to serve in their capacities outside of an office shall be monitored each pay
3 period to ensure all work hours reported on the timesheet were actually worked.

4 (2) The department shall comply with requirements set forth by the office of the
5 state employer on in-person work and utilization and occupancy rates of state buildings to
6 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
7 market conditions.

8 (3) The department shall adhere to civil service rules and regulations that state the
9 standard biweekly work period for a full-time employee in the classified service of this
10 state is the equivalent of 80.0 hours of work. The department shall establish policies and
11 processes to ensure all employees are working their jobs during agreed upon business hours.

12 Sec. 11-207. 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 and senate appropriations committees. The report must include
19 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. 11-208. Not later than 6 months after the state budget office issues work
25 project letters, a department, agency and the legislature shall submit an annual report
26 that summarizes all work project accounts. The report must include all of the following:

27 (a) A list of all work project accounts.

28 (b) The status of all work project accounts, including amounts expended, amounts
29 encumbered, and available balances for each account.

30 (c) The amount of funds that lapsed from any previously designated work project
31 accounts, the name and description of the work project account, and the funds that received
32 the lapsed amounts.

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

8 Sec. 11-210. (1) In addition to the funds appropriated in part 1, there is
9 appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These
10 funds are not available for expenditure until they have been transferred to another line
11 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
12 MCL 18.1393.

13 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
14 not to exceed \$560,000,000.00 for state restricted contingency funds. These funds are not
15 available for expenditure until they have been transferred to another line item in this
16 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

21 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
22 not to exceed \$11,000,000.00 for private contingency funds. These funds are not available
23 for 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 Sec. 11-211. A department or agency shall cooperate with the department of
26 technology, management and budget to maintain a searchable website accessible by the public
27 at no cost that includes, but is not limited to, all of the following for each department
28 or agency:

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

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

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

1 Sec. 11-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
2 a marginalized community's access to government resources, programs, or facilities.

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

5 Sec. 11-213. To the extent permissible under the management and budget act, 1984 PA
6 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
7 appropriations in part 1 shall take all reasonable steps to ensure geographically
8 disadvantaged business enterprises compete for and perform contracts to provide services or
9 supplies, or both. Each director shall strongly encourage firms with which the department
10 or agency contracts to subcontract with certified geographically disadvantaged business
11 enterprises for services, supplies, or both. As used in this section, "geographically
12 disadvantaged business enterprises" means that term as defined in Executive Directive No.
13 2023-1.

14 Sec. 11-214. The department must provide an annual report to the standard report
15 recipients detailing significant federal policy changes that do, or are expected to
16 significantly impact the operations of the department, including reductions in federal
17 revenue and/or changes that are likely to lead to a reduction in the department's ability
18 to safeguard the health or welfare of the public.

19 Sec. 11-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
20 agencies shall provide to the state budget office a jointly agreed upon list of
21 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
22 of 2025. The list must include all information and documents pertaining to the funded items
23 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

24 (2) In accordance with section 364(4) of the Management and Budget Act, the
25 department or agency administering the grant shall post a report in a publicly accessible
26 location on its website beginning March 15 of the current fiscal year. The department or
27 agency shall update the report and shall post an updated report not later than June 15 of
28 the current fiscal year and again not later than September 15 of the current fiscal year.
29 The department shall include in the report the most comprehensive information the
30 department has available at the time of posting for grants awarded.

31 Sec. 11-216. On a quarterly basis, a department or agency receiving appropriations in
32 part 1 shall report on the number of FTEs in pay status by type of staff and civil service

1 classification, including comparison by line item of the number of FTEs authorized from
2 funds appropriated in part 1 to the actual number of FTE positions employed by the
3 department or agency at the end of the reporting period. The report must be submitted to
4 the senate and house appropriations committees and to the standard report recipients.

5 Sec. 11-217. The state budget director shall take steps to ensure that all state
6 fiscal recovery funds and capital projects fund allocated to this state under the American
7 rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required
8 by law. Any state fiscal recovery funds and capital projects fund that would otherwise
9 lapse after September 30, 2026, are automatically reappropriated for the same purpose as
10 originally authorized and available for expenditure through December 31, 2026, and any
11 subsequent financial close out period.

12 Sec. 11-218. (1) The state budget director shall take steps to ensure that all state
13 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
14 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
15 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
16 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
17 that may include, but are not limited to, completed projects coming in under budget or
18 funds unable to be fully used by subrecipients. The state budget director shall reallocate
19 any of the funds reallocated under this subsection to the programs or purposes specified in
20 this section. Any funds reallocated are unappropriated and immediately reappropriated for
21 the following purposes:

22 (a) To reclassify general fund/general purpose appropriations for payroll and covered
23 benefits for eligible public health and safety employees at the department of corrections.

24 (b) To reclassify general fund/general purpose appropriations for payroll and covered
25 benefits for eligible public health and safety employees at the department of state police.

26 (2) All applicable guidance, implementation, and reporting provisions of Public Law
27 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
28 subsection (1).

29 (3) The state budget director shall notify the senate and house appropriations
30 committees not later than 10 business days after making any reallocations under subsection
31 (1). The notification must include the authorized program under which funds were originally
32 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the

1 department to which the funds are being reallocated under subsection (1), and the amount
2 reallocated to each program or purpose.

3

4 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

5 Sec. 11-302. Federal pass-through funds to local institutions and governments that
6 are received in amounts in addition to those included in part 1 and that do not require
7 additional state matching funds are appropriated for the purposes intended. The department
8 may carry forward into the succeeding fiscal year unexpended federal pass-through funds to
9 local institutions and governments that do not require additional state matching funds. The
10 department shall report the amount and source of the funds to the standard report
11 recipients not later than 10 business days after receiving any additional pass-through
12 funds.

13 Sec. 11-303. Requirements under this part applicable to the fund and the fund's
14 activities apply regardless of whether the fund delegates its functions and authority to
15 the MEDC.

16 Sec. 11-304. (1) Grants supported with private revenues received by the department
17 are appropriated upon receipt and are available for expenditure by the department for
18 purposes specified within the grant agreement and as permitted under state and federal law.

19 (2) Not later than 10 days after the receipt of a private grant appropriated in
20 subsection (1), the department shall notify the standard report recipients of the receipt
21 of the grant, including the fund source, purpose, and amount of the grant.

22 (3) Not later than March 15, the department shall report to the standard report
23 recipients the amount of private revenue generated in the previous fiscal year and the
24 amount of private revenue carried forward into the current fiscal year.

25 Sec. 11-305. (1) The department may charge registration fees to attendees of
26 informational, training, or special events that are sponsored by the department and related
27 to activities that are under the department's purview.

28 (2) The fees under subsection (1) must reflect the costs for the department to
29 sponsor the informational, training, or special events.

30 (3) Revenue generated by the registration fees under subsection (1) is appropriated
31 upon receipt and available for expenditure to cover the department's costs of sponsoring
32 informational, training, or special events.

1 (4) Revenue generated by registration fees under this section in excess of the
2 department's costs of sponsoring informational, training, or special events must carry
3 forward to the subsequent fiscal year and not lapse to the general fund.

4 (5) Not later than March 15, the department shall report to the standard report
5 recipients on the amount of registration fees generated in the previous fiscal year and the
6 amount of registration fees carried forward into the current fiscal year.

7 Sec. 11-306. (1) The department may sell documents at a price not to exceed the cost
8 of production and distribution. Money received from the sale of these documents must revert
9 to the department. In addition to the funds appropriated in part 1, these funds are
10 available for expenditure when they are received by the department of treasury. This
11 subsection applies only to R 418.10101 to R 418.101503 of the Michigan Administrative Code.

12 (2) Unexpended funds at the end of the fiscal year must carry forward to the
13 subsequent fiscal year and not lapse to the general fund. The money carried forward under
14 this section must be used as the first source of funds in the subsequent fiscal year.

15 (3) Not later than March 15, the department shall report to the standard report
16 recipients the amount of revenue generated from the sale of documents produced and
17 distributed by the department in the previous fiscal year and the amount of revenue
18 generated from the sale of documents produced and distributed by the department carried
19 forward into the current fiscal year.

20 Sec. 11-307. (1) If the revenue collected by the department for radiological health
21 administration and projects from fees and collections exceeds the amount appropriated in
22 part 1, the revenue must be carried forward into the subsequent fiscal year. The revenue
23 carried forward under this section must be used as the first source of funds in the
24 subsequent fiscal year.

25 (2) Not later than March 15, the department shall report to the standard report
26 recipients the total amount of revenue from fees and collections for any radiological
27 health administration and projects that was carried forward from the previous fiscal year.

28 Sec. 11-308. Funds appropriated in part 1 must not be used by a department,
29 authority, or agency to purchase an ownership interest in a casino.

30
31 **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

32 Sec. 11-402. The funds appropriated in part 1 for the Michigan housing and community

1 development program must be expended for projects as described in sections 58b and 58c of
2 the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and
3 125.1458c.

4

5 **STATE LAND BANK AUTHORITY**

6 Sec. 11-451. (1) In addition to the amounts appropriated in part 1, the state land
7 bank authority may expend revenues received under the land bank fast track act, 2003 PA
8 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not
9 limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation
10 of real or personal property, payment of debt service for notes or bonds issued by the
11 authority, and other expenses to clear or quiet title property held by the authority. The
12 state land bank authority may establish partnerships with local land bank authorities.

13 (2) Not later than March 15, the state land bank authority shall submit a report to
14 the standard report recipients on the number of real properties acquired, leased, managed,
15 demolished, maintained, or rehabilitated in the previous fiscal year and list any
16 partnerships that the state land bank authority has with any local land bank authorities.
17 The report must also include a list of any properties sold by or otherwise transferred from
18 the state land bank authority in the previous fiscal year.

19

20 **MICHIGAN STRATEGIC FUND**

21 Sec. 11-501. The report required under section 9 of the Michigan strategic fund act,
22 1984 PA 270, MCL 125.2009, must be transmitted not later than April 10.

23 Sec. 11-502. In addition to the appropriations in part 1, Travel Michigan may receive
24 and expend private revenue related to the use of "Pure Michigan" and all other copyrighted
25 slogans and images. This revenue may come from the direct licensing of the name and image
26 or from the royalty payments from various merchandise sales. Revenue collected is
27 appropriated for the marketing of this state as a travel destination. The funds are
28 available for expenditure when they are received by the department of treasury. If the fund
29 receives revenues from the use of "Pure Michigan", the fund shall provide a report that
30 lists the revenues by source received from the use of "Pure Michigan" and all other
31 copyrighted slogans and images. The report must provide a detailed list of expenditures of
32 revenues received under this section. The report must be provided to the standard report

1 recipients not later than April 10.

2 Sec. 11-503. (1) Funds appropriated in part 1 for Pure Michigan must be used for the
3 following purposes:

4 (a) Conduction of market research regionally, nationally, and internationally for use
5 in market campaigns.

6 (b) Production of advertisements for the promotion of Michigan as a place to live,
7 learn, build, work, play, and succeed.

8 (c) Placement of advertisements that have a diverse representation in regional,
9 national, and international market campaigns to promote Michigan as a state that welcomes
10 all individuals and families.

11 (d) Administration of the program.

12 (e) Matching marketing campaigns funded from the local promotion fund or private
13 promotion fund.

14 (2) The fund may work in cooperation with local units of government, nonprofit
15 entities, and private entities on Pure Michigan promotion campaigns. The fund shall include
16 agreements prior to undertaking cooperative marketing campaigns.

17 (3) The department shall provide an annual report to the standard report recipients
18 not later than April 10 on the utilization of funds for eligible activities in subsection
19 (1), including a breakdown by eligible use, efforts taken to broaden the scope of marketing
20 activities to diverse populations, a breakdown of funds spent within this state and outside
21 of this state, targeted marketing to encourage residents from other states to move to this
22 state, and how much was expended on market research.

23 (4) As prescribed by the legislature, funds appropriated to Pure Michigan must be
24 used only for this state to market itself as a travel and tourist destination with the sole
25 purpose of attracting new visitors and retaining former visitors. All of the following
26 apply to marketing under this subsection:

27 (a) Promotion may be made by print, television, radio, and social media.

28 (b) The purpose of the advertisements under subdivision (a) must be to attract
29 tourism and leisure travelers to this state.

30 (c) Advertisements that incorporate the Pure Michigan Byways campaign satisfy the
31 requirement under subdivision (b).

32 (5) Each local visitor bureau can only receive dollars appropriated to Pure Michigan

1 once per fiscal year.

2 Sec. 11-504. (1) A local promotion fund is created in the department. The fund may
3 receive funds from local units of government and nonprofit entities and deposit these funds
4 into the local promotion fund. Funds received are available for expenditure for use in Pure
5 Michigan promotion campaigns. The fund may maintain individual accounts for local units of
6 government and nonprofit entities that deposit funds into the local promotion fund upon
7 request from a local unit of government. As used in this subsection, "local unit of
8 government" includes cities, villages, townships, counties, and regional councils of
9 government.

10 (2) Local promotion funds appropriated in part 1 may be used for media production and
11 placements, national and international marketing campaigns, and for other activities that
12 promote Michigan as a place to live, work, and play.

13 (3) Any unexpended or unencumbered balance must be disposed of in accordance with the
14 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward
15 authorization has been otherwise provided for.

16 (4) The department shall provide a report to the standard report recipients not later
17 than April 10 on any funds that have been generated by local units of government and how
18 those funds have been expended.

19 Sec. 11-505. (1) A private promotion fund is created in the department. The fund may
20 receive funds from private entities and deposit these funds into the private promotion
21 fund. Funds received are available for expenditure for use in Pure Michigan promotion
22 campaigns. The fund may maintain individual accounts for private entities that deposit
23 funds into the private promotion fund upon request from a private entity.

24 (2) Private promotion funds appropriated in part 1 may be used for media production
25 and placements, national and international marketing campaigns, and for other activities
26 that promote Michigan as a place to live, work, and play.

27 (3) Any unexpended or unencumbered balance shall be disposed of in accordance with
28 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward
29 authorization has been otherwise provided for.

30 Sec. 11-510. As a condition for receiving funds in part 1, not later than April 10,
31 the fund shall provide a report for the previous fiscal year on the jobs for Michigan
32 investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270,

1 MCL 125.2088h. The report must include, but is not limited to, all of the following:

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

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

7 (c) A fiscal year-end balance of the jobs for Michigan investment fund.

8 Sec. 11-511. (1) From the appropriations in part 1 to the fund and granted or
9 transferred to the MEDC, any unexpended or unencumbered balance must be disposed of in
10 accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101
11 to 18.1594, unless carryforward authorization has been otherwise provided for.

12 (2) Any encumbered funds, including encumbered funds subsequently unobligated, must
13 be used for the same purposes for which funding was originally appropriated in this part
14 and part 1.

15 (3) For funds appropriated in part 1 to the fund, any carryforward authorization
16 subsequently created through a work project must be preserved until a cash or accrued
17 expenditure has been executed or the allowable work project time period has expired.

18 Sec. 11-512. (1) As a condition of receiving funds under part 1, the fund must ensure
19 that the MEDC and the fund comply with all of the following:

20 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

21 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

22 (c) Annual audits of all financial records by the auditor general or the auditor
23 general's designee.

24 (d) All reports required by law to be submitted to the legislature.

25 (2) If the MEDC is unable for any reason to perform duties under this part, the fund
26 may exercise those duties.

27 Sec. 11-514. (1) From the funds appropriated in part 1 for business attraction and
28 community revitalization, not less than 60.0% must be used to provide support for small
29 businesses and may include the following activities:

30 (a) Small business support hubs and community incubators.

31 (b) Business development grants or loans to small businesses.

32 (c) Support to community development financial institutions.

- 1 (d) Public spaces community places program.
- 2 (e) Grants and loans to small business service providers.
- 3 (f) Grants or other funding for technical assistance for small businesses.
- 4 (g) Matching funds for federal grants and programming that benefits small
- 5 businesses.

6 (2) All remaining funding for business attraction and community revitalization may be
7 used to support programs and administration as outlined in the Michigan strategic fund act,
8 1984 PA 270, MCL 125.2001 to 125.2094.

9 (3) As used in this section:

10 (a) "Community incubator" means a local hub, combined programming, or a facility
11 designed to foster local growth and innovation by providing startups, small businesses,
12 nonprofit organizations, and community initiatives with access to affordable workspace,
13 resources, mentorship, training, technical assistance, and networking opportunities.

14 (b) "Small business" means a small business as defined by the United States Small
15 Business Administration.

16 Sec. 11-516. As a condition of receiving an award from the fund, each business
17 incubator or accelerator that received an award from the fund must maintain and update a
18 dashboard of indicators to measure the effectiveness of the business incubator and
19 accelerator programs. Indicators must include the direct jobs created, new companies
20 launched as a direct result of business incubator or accelerator involvement, businesses
21 expanded as a direct result of business incubator or accelerator involvement, direct
22 investment in client companies, private equity financing obtained by client companies,
23 grant funding obtained by client companies, and other measures developed by the recipient
24 business incubators and accelerators in conjunction with the MEDC. Dashboard indicators
25 must be reported for the previous fiscal year and cumulatively, if available. Each
26 recipient shall submit a copy of their dashboard indicators to the fund by March 1. The
27 fund shall transmit the local reports not later than April 10.

28 Sec. 11-517. (1) From the appropriations in part 1, the Michigan arts and culture
29 council shall administer an arts and cultural grant program that maintains an equitable
30 geographic distribution of funding and utilizes past arts and cultural grant programs as a
31 guideline for administering this program. The council shall do all of the following:

32 (a) Not later than October 1, publish proposed application criteria, instructions,

1 and forms for use by eligible applicants. The council shall provide at least a 2-week
2 period for public comment before finalizing the application criteria, instructions, and
3 forms.

4 (b) Assess a nonrefundable application fee that may be applied for each application.
5 Application fees must be deposited in the council for the arts fund and are appropriated
6 for expenses necessary to administer the programs. These funds are available for
7 expenditure when they are received and may be carried forward to the subsequent fiscal
8 year.

9 (c) Issue grants to public and private arts and cultural entities.

10 (d) Not later than 1 business day after the award announcements, provide to each
11 member of the legislature and the fiscal agencies a list of all grant recipients and the
12 total award given to each recipient, sorted by county.

13 (e) In addition to the information in subdivision (d), report on the number of
14 applications received, number of grants awarded, total amount requested from applications
15 received, and total amount of grants awarded.

16 (2) Funds appropriated in part 1 for arts and cultural program may be expended for
17 the administration of the grant program.

18 Sec. 11-520. (1) The fund, in conjunction with the department of treasury, shall
19 report not later than November 1 on the annual cost of the MEGA tax credits. The report
20 must include for each year the board-approved credit amount, adjusted for credit amendments
21 where applicable, and the actual and projected value of tax credits for each year from 1995
22 to the expiration of the credit program. For years for which credit claims are complete,
23 the report must include the total of actual certificated credit amounts. For years that
24 claims are still pending or not yet submitted, the report must include a combination of
25 actual credits where available and projected credits. Credit projections must be based on
26 updated estimates of employees, wages, and benefits for eligible companies.

27 (2) In addition to the report under subsection (1), the fund, in conjunction with the
28 department of treasury, shall report to the standard report recipients not later than
29 November 1 on the annual cost of all other certificated credits by program, for each year
30 until the credits expire or can no longer be collected. The report must include estimates
31 on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit,
32 MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other

1 certificated credits.

2 Sec. 11-522. (1) From the funds appropriated in part 1 for business attraction and
3 community revitalization, the fund shall identify specific outcomes and performance
4 measures, including, but not limited to, the following:

5 (a) Total verified jobs created by the business attraction program during the
6 previous fiscal year.

7 (b) Total private investment obtained through the business attraction and community
8 revitalization programs during the previous fiscal year.

9 (c) Amount of private and public square footage created and reactivated through the
10 community revitalization program during the previous fiscal year.

11 (2) The fund shall submit a report to the standard report recipients not later than
12 April 10. The report must describe the specific outcomes and measures required in
13 subsection (1) and provide the results and data related to these outcomes and measures for
14 the previous fiscal year if related information is available for the previous fiscal year.
15 The report must also contain a summary of any metrics used to evaluate the outcomes and
16 performance of any programs.

17 Sec. 11-523. In addition to the funds appropriated in part 1, the funds collected by
18 state historic preservation programs for document reproduction and services and application
19 fees are appropriated for all expenses necessary to provide the required services. These
20 funds are available for expenditure when they are received and may be carried forward into
21 the succeeding fiscal year.

22 Sec. 11-524. Tax capture revenues collected in accordance with written agreements
23 under the good jobs for Michigan program and transferred from the general fund for deposit
24 into the good jobs for Michigan fund, and for both calculated payments from the good jobs
25 for Michigan fund to authorized businesses and distributions to the fund for administrative
26 expenses, are appropriated under the provisions of chapter 8D of the Michigan strategic
27 fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

28 Sec. 11-526. (1) The funds appropriated in part 1 for Michigan office of defense and
29 aerospace innovation shall be used by the Michigan strategic fund to protect and grow the
30 defense and homeland security industry in this state by protecting this state's current
31 department of defense missions, infrastructure, and industry, including securing new
32 missions and increasing defense and homeland security spending in this state. These funds

1 may be used for, but are not limited to, the following activities:

2 (a) Helping businesses in this state identify federal defense contract opportunities.

3 (b) Providing technical assistance for bid responses to federal defense contracts.

4 (c) Strengthening cybersecurity compliance at businesses in this state to qualify for
5 federal defense contracts.

6 (2) Not later than April 10, the Michigan office of defense and aerospace innovation
7 shall provide an annual report to the standard report recipients. The report must include,
8 but is not limited to, all of the following:

9 (a) A strategic plan for the organization.

10 (b) An overview of the defense industry in this state, including identification of
11 recent accomplishments and services provided to businesses in this state in the most recent
12 year.

13 (c) A list of expenditures used to fund memberships in organizations and costs
14 associated with attending conferences and expositions in the previous fiscal year.

15 (d) The most recent annual figures on direct domestic defense-related contracts and
16 grants awarded to Michigan-based entities in the previous fiscal year.

17 (e) A summary of contracts or defense industry business with international clients.

18

19 **EMPLOYMENT SERVICES**

20 Sec. 11-601. From the funds appropriated in part 1 for wage and hour program, the
21 department shall continue to engage with employers and employees to enhance education and
22 outreach, in accordance with the youth employment standards act, 1978 PA 90, MCL 409.101 to
23 409.124, 1978 PA 390, MCL 408.471 to 408.490, the improved workforce opportunity wage act,
24 2018 PA 337, MCL 408.931 to 408.945, the earned sick time act, 2018 PA 338, MCL 408.961 to
25 408.974, the human trafficking notification act, 2016 PA 62, MCL 752.1031 to 752.1040, and
26 2023 PA 10, MCL 408.1101 to 408.1126, and private right of action. All funds received in
27 the prevailing wage fund created in section 25a of 2023 PA 10, MCL 408.1125a, are
28 appropriated for the purposes allowable under 25a of 2023 PA 10, MCL 408.1125a.

29 Sec. 11-602. (1) In addition to the funds appropriated in part 1, all funds necessary
30 to pay approved claims and administrative costs incurred during this fiscal year, as
31 allowed in the Christopher R. Slezak first responder presumed coverage fund created in
32 section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405,

1 are appropriated for the purposes authorized under section 405 of the worker's disability
2 compensation act of 1969, 1969 PA 317, MCL 418.405.

3 (2) The department shall provide a year-end report to the Michigan gaming control
4 board, the department of treasury, and the state budget office that includes, but is not
5 limited to, the total of all approved claims and administrative costs incurred as of
6 September 30 of the current fiscal year.

7

8 **WORKFORCE DEVELOPMENT**

9 Sec. 11-701. The department shall administer the PATH training program in accordance
10 with the requirements of section 407(d) of title IV of the social security act, 42 USC 607,
11 the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws
12 and regulations.

13 Sec. 11-702. (1) From the funds appropriated in part 1 for workforce development, the
14 department may allocate funding for grants to nonprofit organizations that offer programs
15 under the workforce innovation and opportunity act, 29 USC 3101 to 3361, for eligible youth
16 that focus on apprenticeship readiness, pre-apprenticeship and apprenticeship activities,
17 entrepreneurship, work-readiness skills, job shadowing, or financial literacy.
18 Organizations eligible for funding under this section must have the capacity to provide
19 similar programs in urban areas, as determined by the United States Census Bureau according
20 to the most recent federal decennial census. Additionally, programs eligible for funding
21 under this section must include the participation of local business partners. The
22 department shall develop other appropriate eligibility requirements to ensure compliance
23 with applicable federal rules and regulations.

24 (2) Not later than March 15, the department shall report at least all of the
25 following:

26 (a) Total grants expended under this section in the previous fiscal year.

27 (b) The total number of students served from the grants appropriated under this
28 section.

29 (c) A list of all organizations and the amount each organization received from the
30 funding appropriated under this section.

31 Sec. 11-703. From the funds appropriated in part 1, the department shall make
32 available, in person or by telephone, 1 disabled veterans outreach program specialist or

1 local veterans employment representative to Michigan works service centers, as resources
2 permit, during hours of operation, and shall continue to make the appropriate placement of
3 veterans and disabled veterans a priority.

4 Sec. 11-704. (1) In addition to the funds appropriated in part 1, any unencumbered
5 and unrestricted funds allocated under the federal workforce innovation and opportunity
6 act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from previous
7 fiscal years are appropriated for the purposes originally intended.

8 (2) The department shall report to the standard report recipients not later than
9 March 15 on the amount, by fiscal year, of funds allocated under the federal workforce
10 innovation and opportunity act, 29 USC 3101 to 3361, appropriated under this section.

11 Sec. 11-707. The funds appropriated in part 1 for MiSTEM advisory council must be
12 used to support the staff for the MiSTEM network, and for administrative, training, and
13 travel costs related to the MiSTEM council. The MiSTEM network may receive funds from
14 private sources. If the MiSTEM network receives funds from private sources, those funds are
15 appropriated and shall be expended in alignment with the statewide STEM strategy. The staff
16 for the MiSTEM network shall do all of the following:

17 (a) Serve as a liaison among and between the department, the department of lifelong
18 education, advancement, and potential, the department of education, the MiSTEM council, the
19 governor's workforce development board, the MiSTEM regions, and any other relevant
20 organization or entity in a manner that creates a robust statewide STEM culture, empowers
21 STEM teachers, integrates business and education into the STEM network, and ensures high-
22 quality STEM experiences for pupils.

23 (b) Coordinate the implementation of a marketing campaign, including, but not limited
24 to, a website that includes dashboards of outcomes, to build STEM awareness and communicate
25 STEM needs and opportunities to pupils, parents, educators, and the business community.

26 (c) Work with the department of education and the MiSTEM council to coordinate,
27 award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and
28 conduct reviews of grant recipients, including, but not limited to, pupil experience and
29 feedback.

30 (d) Report to the governor, the legislature, and the MiSTEM council annually on the
31 activities and performance of the MiSTEM network regions.

32 (e) Coordinate recurring discussions and work with regional staff to ensure that a

1 network or loop of feedback and best practices are shared, including funding, programming,
2 professional learning opportunities, discussion of MiSTEM strategic vision, and regional
3 objectives.

4 (f) Coordinate major grant application efforts with the MiSTEM council to assist
5 regional staff with grant applications on a local level. The MiSTEM council shall leverage
6 private and nonprofit relationships to coordinate and align private funds in addition to
7 funds appropriated under this section.

8 (g) Train state and regional staff in the STEM works rating system, in collaboration
9 with the MiSTEM council and the Michigan department of education.

10 (h) Hire MiSTEM network region staff in collaboration with the network region fiscal
11 agent.

12 Sec. 11-708. (1) From the funds appropriated in part 1 for workforce development, the
13 department shall provide a report on the status of workforce development not later than
14 March 15 to the standard report recipients. The report must include the following:

15 (a) The amount of funding allocated to each Michigan works agency and the total
16 funding allocated to the workforce training programs statewide by fund source.

17 (b) The number of participants enrolled in education or training programs by each
18 Michigan works agency.

19 (c) The average duration of training for training program participants by each
20 Michigan works agency.

21 (d) The number of participants enrolled in remedial education programs and the number
22 of participants enrolled in literacy programs.

23 (e) The number of participants enrolled in programs at 2-year institutions.

24 (f) The number of participants enrolled in programs at 4-year institutions.

25 (g) The number of participants enrolled in proprietary schools or other technical
26 training programs.

27 (h) The number of participants who completed an education or training program.

28 (i) The number of participants who completed a training program and secured
29 employment in a field related to their training.

30 (j) The average wage earned by participants who completed a training program and
31 secured employment within 1 year.

32 (k) The actual revenues received by the fund source and fund appropriated for each

1 discrete workforce development program area.

2 (1) The average cost of training per individual served.

3 (2) Data collection for the report must be for the previous state fiscal year.

4 Sec. 11-710. (1) The funds appropriated in part 1 for 23+ high school diploma program
5 must be awarded for a program to assist Michigan residents 23 years of age or older 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 not less than
9 2 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, such as WorkKeys preparation.

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 (4) The department shall announce qualified program providers not later than January
25 1 of the current fiscal year. Qualified program providers must start providing programming
26 by February 1 of the current fiscal year.

27 (5) The department shall reimburse qualified program providers for each month of
28 satisfactory monthly progress as described in section 23a of the state school aid act of
29 1979, 1979 PA 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall be made to
30 a qualified program provider for the completion of the following by an eligible
31 participant:

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 awarded for satisfying
9 Michigan merit curriculum requirements or an approved personal curriculum, as defined by
10 the Michigan department of education.

11 (f) \$2,500.00 for placement in a job in an in-demand career pathway.

12 (6) The department shall develop policies and guidelines to implement this section.

13 Sec. 11-711. The funds appropriated in part 1 for at-risk youth grants must be
14 awarded to the Michigan franchise holder of the national Jobs for America's Graduates
15 program for the administration of the Jobs for Michigan's Graduates program.

16 Sec. 11-712. (1) The funds appropriated in part 1 for the high school equivalency-to-
17 school program must be used to purchase and distribute vouchers that cover the cost of high
18 school equivalency testing and certification under this section. The department shall
19 administer a Michigan high school equivalency-to-school program that covers the cost of
20 taking a high school equivalency test free of charge for individuals who meet all of the
21 following requirements:

22 (a) The individual has not previously been administered a high school equivalency
23 test free of charge under this section.

24 (b) The individual meets at least 1 of the following requirements:

25 (i) Prior to taking the high school equivalency test, the individual successfully
26 completed a department-approved high school equivalency preparation program.

27 (ii) Prior to taking the high school equivalency test, the individual completed the
28 official high school equivalency practice test and the individual's score indicated that
29 the individual is likely to pass.

30 (2) A department-approved high school equivalency preparation program must include
31 all of the following:

32 (a) Instructional and tutorial assistances.

1 (b) High school equivalency test practice.

2 (c) Required attendance at program instructional sessions.

3 (d) A curriculum that prepares students for opportunities in postsecondary education
4 and the job market.

5 (e) Information on potential postsecondary and career pathways.

6 (f) Counseling on preparing for and applying to college.

7 (g) Personal and job readiness skills development.

8 (h) Comprehensive information on college costs and financial aid.

9 (i) College and career assessments.

10 (j) Computer-based instruction, practice, or remediation.

11 (3) The department shall post online an announcement of the Michigan high school
12 equivalency-to-school program, minimum standards for high school equivalency preparation
13 program approval, and approval procedures.

14 (4) The department shall do all of the following:

15 (a) Develop procedures consistent with this section under which individuals can take
16 the high school equivalency test without charge.

17 (b) Provide program information for educators and students on the department website,
18 including explanations of the procedures developed under subparagraph (a), and contact
19 information for questions about the program.

20 (c) Provide an estimate of the full-year cost of the program to the standard report
21 recipients.

22 (5) Not later than September 30, the department shall report on utilization of the
23 high school equivalency incentive program to the standard report recipients, including
24 numbers of high school equivalency certifications issued by location, year-to-date
25 expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or
26 both.

27 Sec. 11-714. (1) The office of rural prosperity shall encourage and enable
28 appropriate community advancements and improvements, including, but not limited to, all of
29 the following:

30 (a) Housing.

31 (b) Infrastructure.

32 (c) Education.

1 (d) Workforce development.

2 (e) Other activities that address needs uniquely present in rural areas of this state
3 and assist in expansion of rural development.

4 (2) Not later than March 15, the office of rural prosperity shall submit a report to
5 the standard report recipients that outlines the office's activities, programs, and
6 accomplishments in the previous fiscal year. To the extent possible, the report must also
7 include information regarding the amount of subsequent grant funding that entities are able
8 to secure after receiving assistance from the office of rural prosperity or an office of
9 rural prosperity grant.

10 Sec. 11-715. (1) From the funds appropriated in part 1 for community and worker
11 economic transition office, the department may hire employees and deploy capabilities to
12 evaluate and address the impacts of economic transitions on workers, communities, and
13 employers in sectors that include, but are not limited to, the auto, utility,
14 manufacturing, and building trades sectors. Activities of the office may include developing
15 transition mitigation strategies, conducting data analysis, coordinating across state and
16 federal agencies, engaging stakeholders, and providing resource navigation support. No
17 later than March 15, the department shall submit an annual report on office activities and
18 progress made on the community and worker economic transition plan to the standard report
19 recipients and to the legislature, as required under section 7(5) of the community and
20 worker economic transition act, 2023 PA 232, MCL 408.917.

21 (2) In the annual report submitted under subsection (1), the department shall include
22 information on the mission statement, goals, metrics, and recommendations of the community
23 and worker economic transition office.

24 Sec. 11-717. The department's office of rural prosperity shall collaborate with the
25 department of agriculture and rural development on the rural development fund grant program
26 as part of this state's coordinated strategy for achieving rural prosperity across this
27 state.

28 Sec. 11-718. There are appropriated 8.0 full-time equated positions for the Michigan
29 high speed internet office.

30
31 **UNEMPLOYMENT**

32 Sec. 11-801. The unemployment insurance agency shall provide a report updated at

1 least quarterly that includes, but is not limited to, fiscal year-to-date expenditures by
2 division and program unit. The unemployment insurance agency shall transmit each quarterly
3 report no later than 60 days after the end of each quarter.

4 Sec. 11-802. (1) From the funds appropriated in part 1, the department, on behalf of
5 the unemployment insurance agency, shall provide a quarterly report to the standard report
6 recipients not later than 60 days after the end of each quarter that includes, but is not
7 limited to, the following:

8 (a) The average number of unique claimants for the quarter.

9 (b) The average number of eligible claimants with certification for the quarter.

10 (c) The average number of claims paid for the quarter.

11 (d) The total amount of standard unemployment insurance payments paid for the
12 quarter.

13 (e) The total amount of unemployment insurance tax generated for the quarter.

14 (f) The balance of the Michigan unemployment trust fund at the end of the quarter.

15 (2) The department shall include the same information required in subsection (1) for
16 the previous 12 months. The department shall include the most recent quarterly report on
17 the department's webpage.

18 Sec. 11-803. From the funds appropriated in part 1, the department shall provide a
19 quarterly report not later than 60 days after the end of each quarter that includes, but is
20 not limited to, the following:

21 (a) The number of new fraudulent and noncompliant cases that have been identified or
22 issued by the unemployment insurance agency, classified by employer or claimant, during the
23 quarter.

24 (b) The total amount of penalties and interest issued on fraudulent and noncompliant
25 cases during the quarter.

26 (c) The total amount of penalties and interest dollars received during the quarter by
27 employer or claimant.

28 (d) The total amount of collectible penalties and interest still owed to this state
29 by employer or claimant.

30 (e) The number of fraudulent and noncompliant cases that have been appealed by an
31 employer or claimant during the quarter.

32 Sec. 11-804. (1) The funds appropriated in part 1 for unemployment insurance agency

1 must be used to staff unemployment insurance agency branch offices for in-person
2 appointments for unemployment insurance agency claimant services.

3 (2) The department shall provide a biannual report to the standard report recipients
4 not later than March 15 and September 30 that includes all of the following:

5 (a) The number and location of in-person offices.

6 (b) The average number of staff at each location over the previous 6 months.

7 (c) The volume of in-person claimants served at each location in the previous 6
8 months.

9 (d) For the previous 6 months, the average number of staff at each location where the
10 unemployment insurance agency offers in-person appointments, the average number of staff
11 assigned to offering virtual appointments, and the average number of staff assigned to
12 offering telephone appointments.

13 (e) For the previous 6 months, the volume of in-person claimants served at each
14 location, the volume of claimants served through virtual appointments, and the volume of
15 claimants served through telephone appointments.

16 Sec. 11-805. (1) Funds appropriated in part 1 for the unemployment insurance agency
17 may be used by the unemployment insurance agency to increase capacity by an estimated 250
18 limited-term employees only if the unemployment insurance agency provides full-time, in-
19 person services at existing unemployment insurance local offices.

20 (2) In addition to the 250 limited-term employees described in subsection (1), the
21 unemployment insurance agency may increase capacity by up to 250 additional limited-term
22 employees if all of the following occur:

23 (a) The unemployment insurance agency provides full-time, in-person services at
24 existing unemployment insurance local offices.

25 (b) The number of claims received by the unemployment insurance agency increased by
26 20% or more in a month.

27 (c) The unemployment insurance agency determines there is a need for additional
28 limited-term employees.

29 Sec. 11-806. (1) From the funds appropriated in part 1 for unemployment insurance
30 agency, the department shall maintain customer service standards for employers and
31 claimants making use of the various means by which they can access the system.

32 (2) The department shall identify specific outcomes and performance metrics for this

1 initiative, including, but not limited to, the following:

- 2 (a) Unemployment benefit fund balance.
- 3 (b) Process improvement - fiscal integrity.
- 4 (c) Process improvement - determination timeliness.
- 5 (d) Process improvement - determination quality.

6 Sec. 11-807. Funds earned or authorized by the USDOL in addition to the appropriation
7 in part 1 for the unemployment insurance agency are appropriated and may be expended for
8 staffing and related expenses incurred in the operation of its programs. These funds may be
9 spent after the department notifies the standard report recipients of the purpose and
10 amount of each grant award.

11

12 **REHABILITATION SERVICES**

13 Sec. 11-901. The Michigan rehabilitation services and bureau of services for blind
14 persons shall work collaboratively with service organizations and government entities to
15 identify allowable match dollars to secure available federal vocational rehabilitation
16 funds.

17 Sec. 11-902. From the funds appropriated in part 1, the department shall provide an
18 annual report on efforts taken to improve the Michigan rehabilitation services not later
19 than March 15 to the standard report recipients. The report must include all of the
20 following items:

- 21 (a) Changes in administrative costs and staffing.
- 22 (b) Number of individuals with disabilities served each fiscal year and number of
23 students with disabilities served each fiscal year.
- 24 (c) Number of services provided in each allowable vocational rehabilitation service
25 category.
- 26 (d) Plans to integrate Michigan rehabilitative services programs into other services
27 provided by the department.
- 28 (e) Quarterly expenditures by major spending category.
- 29 (f) Employment and job retention rates from both Michigan rehabilitation services and
30 its nonprofit partners.
- 31 (g) Success rate in achieving the program goals, by geographic region, in a manner
32 determined by the department.

1 (h) An explanation of each program goal that is set for Michigan rehabilitation
2 services.

3 Sec. 11-903. (1) From the funds appropriated in part 1 for Michigan rehabilitation
4 services, the department shall allocate funding along with available federal match to
5 support the provision of vocational rehabilitation services to eligible agricultural
6 workers with disabilities. Authorized services shall assist agricultural workers with
7 disabilities in acquiring or maintaining quality employment and independence.

8 (2) Not later than March 15, the department shall report to the standard report
9 recipients on the total number of clients served and the total amount of federal matching
10 funds obtained throughout the duration of the program.

11 Sec. 11-904. If the department is at risk of entering into an order of selection for
12 services, the department shall notify the standard report recipients within 2 weeks of
13 receiving notification.

14 Sec. 11-905. (1) Funds appropriated in part 1 for independent living must be used to
15 support the general operations of centers for independent living in delivering mandated
16 independent living services in compliance with federal rules and regulations, including 2
17 CFR 200, for the centers, by existing centers for independent living to serve underserved
18 areas, and for projects to build the capacity of centers for independent living to deliver
19 independent living services. Applications for the funds must be reviewed in accordance with
20 criteria and procedures established by the department. Funds must be used in a manner
21 consistent with the state plan for independent living. Services provided should assist
22 people with disabilities to move toward self-sufficiency, including, but not limited to,
23 support for accessing transportation and health care, obtaining employment, community
24 living, nursing home transition, information and referral services, education, youth
25 transition services, veterans, and stigma reduction activities and community education.
26 This includes the independent living guide services that specifically focus on economic
27 self-sufficiency.

28 (2) Not later than March 15 and in partnership with service providers, the department
29 shall provide a report to the standard report recipients on direct customer and system
30 outcomes and performance measures.

31 Sec. 11-906. Federal workforce innovation and opportunity vocational rehabilitation
32 funds from prior years that are received in amounts in addition to those included in part 1

1 and that have already met state matching requirements are appropriated for the purposes
2 intended. The department may carry forward into the succeeding fiscal year unexpended
3 federal workforce innovation and opportunity vocational rehabilitation funds that do not
4 require additional state matching funds.

5 Sec. 11-907. (1) The appropriation in part 1 for bureau of services for blind persons
6 includes funds for case services. These funds may be used for tuition payments for blind
7 clients.

8 (2) Revenue collected by the bureau of services for blind persons and from private
9 and local sources that is unexpended at the end of the fiscal year must carry forward to
10 the subsequent fiscal year.

11 Sec. 11-908. The bureau of services for blind persons may provide and enter into
12 agreements to provide general services, training, meetings, information, special equipment,
13 software, facility use, and technical consulting services to other principal executive
14 departments, state agencies, local units of government, the judicial branch of government,
15 other organizations, and patrons of department facilities. The department may charge fees
16 for these services that are reasonably related to the cost of providing the services. In
17 addition to the funds appropriated in part 1, funds collected by the department for these
18 services are appropriated for all expenses necessary. The funds appropriated under this
19 section are allotted for expenditure when they are received by the department of treasury.

20 Sec. 11-909. (1) The funds appropriated in part 1 for a regional or subregional
21 library must not be released until a budget for that regional or subregional library has
22 been approved by the department for expenditures for library services directly serving the
23 blind and persons with disabilities.

24 (2) To receive subregional state aid appropriated in part 1, a regional or
25 subregional library's fiscal agency must agree to maintain local funding support at the
26 same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a
27 reduction in expenditures equally affects all agencies in a local unit of government that
28 includes the regional or subregional library's fiscal agency, the reduction must not be
29 interpreted as a reduction in local support and must not disqualify a regional or
30 subregional library from receiving state aid under part 1. If a reduction in income affects
31 a library cooperative or district library that includes a regional or subregional library's
32 fiscal agency or a reduction in expenditures for the regional or subregional library's

1 fiscal agency, a reduction in expenditures for the regional or subregional library must not
2 be interpreted as a reduction in local support and must not disqualify a regional or
3 subregional library from receiving state aid under part 1.

4

5 **COMMISSIONS**

6 Sec. 11-953. The office of global Michigan must submit a report to the standard
7 report recipients not later than January 31. The report must include all of the following
8 information:

9 (a) The number of individuals served through each major program and activity.

10 (b) The number of refugee arrivals, the job placement rate of those refugees actively
11 receiving services under global Michigan grants, and the average wages and initial job
12 placements for those refugees.

13 (c) A list and description of the activities that the office has conducted to attract
14 and retain international, advanced degree, and entrepreneurial talent.

15 (d) A list of goals for the office and the metrics used to determine whether each
16 goal is achieved.

17

18 **ONE-TIME APPROPRIATIONS**

19 Sec. 11-1001. (1) From the funds appropriated in part 1 for museums support,
20 \$500,000.00 must directly be awarded to support the Arab American National Museum.

21 (2) From the funds appropriated in part 1 for museums support, \$500,000.00 must
22 directly be awarded to the Charles H. Wright Museum of African American History.

23 (3) From the funds appropriated in part 1 for museums support, \$500,000.00 must
24 directly be awarded to support the Zekelman Holocaust Center.

25 Sec. 11-1002. (1) Funds appropriated in part 1 for special events and national
26 convention attraction must be used by the Michigan strategic fund to promote this state as
27 a destination for special events, including, but not limited to, national conventions,
28 national conferences, major sporting events, or other significant events that would feature
29 Michigan to a national audience.

30 (2) The Michigan strategic fund must develop program guidelines for the use of these
31 funds. Funds may be used to help attract eligible special events and to support costs
32 associated with hosting eligible events. Eligible events must have a regular attendance of

1 more than 500 people and meet other eligibility criteria as determined by the Michigan
2 strategic fund.

3 (3) The unexpended funds appropriated in part 1 for special events and national
4 convention attraction are designated as a work project appropriation, and any unencumbered
5 or unallotted funds shall not lapse at the end of the fiscal year and shall be available
6 for expenditure for projects under this section until the projects have been completed. The
7 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
8 MCL 18.1451a:

9 (a) The purpose of the project is to promote this state as a destination for special
10 events and support costs related to hosting eligible events.

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

13 (c) The total estimated cost of the project is \$6,000,000.00.

14 (d) The tentative completion date is September 30, 2031.

15 Sec. 11-1003. (1) The one-time funds appropriated in part 1 for office of future
16 mobility and electrification shall be used to further the state's emerging aviation and
17 advanced air mobility sector in alignment with Executive Directive 2025-4. Funds may be
18 used for advanced air mobility infrastructure deployment to enable beyond visual line of
19 sight operations, for efforts that further develop this emerging sector, and workforce
20 development strategies to aid in this industry transition.

21 (2) The office of future mobility and electrification shall collaborate with other
22 state departments, such as the department of military and veterans affairs and the Michigan
23 department of transportation, on the implementation of this program. As necessary to
24 improve the administration or oversight of any of the dollars appropriated under this part
25 and part 1, the department may adopt a memorandum of understanding with another state
26 department to perform the required duties under this section. Any grant money that is
27 awarded to a state department is appropriated in that department for the purpose of the
28 intended grant.

29 (3) In addition to the funds appropriated in part 1, federal funds received by the
30 office of future mobility and electrification, or other state department, for the purposes
31 of advancing the state's aviation and advanced air mobility sector, are appropriated for
32 the purposes outlined in the federal grant award. Unexpended federal funds received under

1 this section may be carried forward into the succeeding fiscal year.

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

8 (a) The purpose of the project is to support the emerging aviation and advanced air
9 mobility sector.

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

12 (c) The total estimated cost of the project is \$4,000,000.00.

13 (d) The tentative completion date is September 30, 2031.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	LEGISLATURE	
2	APPROPRIATION SUMMARY	
3	GROSS APPROPRIATION	\$ 239,019,400 \$ 239,019,400
4	Total interdepartmental grants and intradepartmental	
5	transfers	7,445,000 7,445,000
6	ADJUSTED GROSS APPROPRIATION	\$ 231,574,400 \$ 231,574,400
7	Total federal revenues	0 0
8	Total local revenues	0 0
9	Total private revenues	474,700 474,700
10	Total other state restricted revenues	8,016,700 8,016,700
11	State general fund/general purpose	\$ 223,083,000 \$ 223,083,000
12	<i>State general fund/general purpose schedule:</i>	
13	<i>Ongoing state general fund/general purpose</i>	<i>223,083,000 223,083,000</i>
14	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
15	Sec. 12-102. LEGISLATURE	
16	Senate	\$ 52,837,900 \$ 52,837,900
17	Senate automated data processing	3,339,300 3,339,300
18	Senate fiscal agency	5,054,500 5,054,500
19	House of representatives	77,597,300 77,597,300
20	House automated data processing	3,339,300 3,339,300
21	House fiscal agency	<u>5,054,500</u> <u>5,054,500</u>
22	GROSS APPROPRIATION	\$ 147,222,800 \$ 147,222,800
23	Appropriated from:	
24	Special revenue funds:	
25	State general fund/general purpose	\$ 147,222,800 \$ 147,222,800
26	Sec. 12-103. LEGISLATIVE COUNCIL	
27	Legislative corrections ombudsman	\$ 1,657,900 \$ 1,657,900
28	Legislative council	17,221,200 17,221,200
29	Legislative service bureau automated data processing .	3,880,800 3,880,800
30	Michigan veterans facility ombudsman	385,300 385,300
31	National association dues	735,700 735,700
32	Sentencing commission	100 100

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Tribal legislative liaison	522,700	522,700
2 Worker's compensation	<u>185,200</u>	<u>185,200</u>
3 GROSS APPROPRIATION	\$ 24,588,900	\$ 24,588,900
4 Appropriated from:		
5 Special revenue funds:		
6 State general fund/general purpose	\$ 24,588,900	\$ 24,588,900
7 Sec. 12-104. LEGISLATIVE RETIREMENT SYSTEM		
8 Actuarially determined contribution	\$ 100	\$ 100
9 General nonretirement expenses	<u>6,521,000</u>	<u>6,521,000</u>
10 GROSS APPROPRIATION	\$ 6,521,100	\$ 6,521,100
11 Appropriated from:		
12 Special revenue funds:		
13 Other state restricted revenues	1,483,300	1,483,300
14 State general fund/general purpose	\$ 5,037,800	\$ 5,037,800
15 Sec. 12-105. PROPERTY MANAGEMENT		
16 Binsfeld Office Building and other properties	\$ 10,313,400	\$ 10,313,400
17 Cora Anderson building	<u>7,135,200</u>	<u>7,135,200</u>
18 GROSS APPROPRIATION	\$ 17,448,600	\$ 17,448,600
19 Appropriated from:		
20 Special revenue funds:		
21 State general fund/general purpose	\$ 17,448,600	\$ 17,448,600
22 Sec. 12-106. STATE CAPITOL HISTORIC SITE		
23 Bond/lease obligations	\$ 100	\$ 100
24 General operations	6,858,600	6,858,600
25 Restoration, renewal, and maintenance	<u>4,020,500</u>	<u>4,020,500</u>
26 GROSS APPROPRIATION	\$ 10,879,200	\$ 10,879,200
27 Appropriated from:		
28 Special revenue funds:		
29 Private revenues	474,700	474,700
30 Other state restricted revenues	4,020,500	4,020,500
31 State general fund/general purpose	\$ 6,384,000	\$ 6,384,000
32 Sec. 12-107. OFFICE OF THE AUDITOR GENERAL		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Unclassified salaries	\$ 453,200	\$ 453,200
2 Field operations	<u>31,905,600</u>	<u>31,905,600</u>
3 GROSS APPROPRIATION	\$ 32,358,800	\$ 32,358,800
4 Appropriated from:		
5 Interdepartmental grant revenues:		
6 IDG from department of health and human services	38,700	38,700
7 IDG from department of labor and economic opportunity	507,300	507,300
8 IDG from department of licensing and regulatory		
9 affairs	133,700	133,700
10 IDG from department of military and veterans affairs .	106,500	106,500
11 IDG from department of state police	60,000	60,000
12 IDG from department of technology, management and		
13 budget	1,034,900	1,034,900
14 IDG from department of transportation	1,375,200	1,375,200
15 IDG from department of treasury	314,400	314,400
16 IDG from other restricted funding	3,874,300	3,874,300
17 Special revenue funds:		
18 21st century jobs fund	118,600	118,600
19 Other state restricted revenues	2,394,300	2,394,300
20 State general fund/general purpose	\$ 22,400,900	\$ 22,400,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$231,099,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 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.

Sec. 12-203a. As used in this part and part 1:

- (a) "FTE" means full-time equated.
- (b) "IDG" means interdepartmental grant.

LEGISLATURE

Sec. 12-600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

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

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

Sec. 12-602. The senate may charge rent and assess charges for utility costs. The

1 amounts received for rent charges and utility assessments are appropriated to the senate
2 for the renovation, operation, and maintenance of the Binsfeld Office Building.

3 Sec. 12-604. (1) The appropriation in part 1 to the Michigan state capitol historic
4 site includes funds to operate the legislative parking facilities in the capitol area. The
5 Michigan state capitol commission shall establish rules regarding the operation of the
6 legislative parking facilities.

7 (2) The Michigan state capitol commission may collect a fee from state employees and
8 the general public using certain legislative parking facilities. The revenues received from
9 the parking fees are appropriated on receipt and must be allocated by the Michigan state
10 capitol commission.

11 (3) As used in this section, "Michigan state capitol commission" means the Michigan
12 state capitol commission established in the Michigan state capitol historic site act, 2013
13 PA 240, MCL 4.1945.

14 Sec. 12-605. The unexpended funds appropriated in part 1 for the legislative council
15 are designated as a work project appropriation, and any unencumbered or unallotted funds
16 shall not lapse at the end of the fiscal year and shall be available for expenditures for
17 projects under this section until the projects have 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 publication of the Michigan manual.

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

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

23 (d) The tentative completion date is September 30, 2031.

24 Sec. 12-606. The unexpended funds appropriated in part 1 for property management are
25 designated as a work project appropriation, and any unencumbered or unallotted funds shall
26 not lapse at the end of the fiscal year and shall be available for expenditures for
27 projects under this section until the projects have been completed. The following is in
28 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

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

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

2 (d) The tentative completion date is September 30, 2031.

3 Sec. 12-607. The unexpended funds appropriated in part 1 for automated data
4 processing are designated as a work project appropriation, and any unencumbered or
5 unallotted funds shall not lapse at the end of the fiscal year and shall be available for
6 expenditures for projects under this section until the projects have been completed. The
7 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
8 MCL 18.1451a:

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

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

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

14 (d) The tentative completion date is September 30, 2031.

15 Sec. 12-608. In addition to funds appropriated in part 1, the Michigan capitol
16 committee publications save the flags fund account may accept contributions, gifts,
17 bequests, devises, grants, and donations. Those funds that are not expended in the fiscal
18 year ending September 30, 2027 do not lapse at the close of the fiscal year, and must be
19 carried forward for expenditure in the following fiscal years.

20 Sec. 12-611. (1) From the funds appropriated in part 1 for senate, \$250,000.00 must
21 be allocated for an internship program.

22 (2) From the funds appropriated in part 1 for house of representatives, \$250,000.00
23 must be allocated for an internship program.

24 Sec. 12-612. It is the intent of the legislature that, from the funds appropriated in
25 part 1, the Michigan state capitol commission established in section 5 of the Michigan
26 state capitol historic site act, 2013 PA 240, MCL 4.1945, ensure that the Capitol Building
27 is open for not less than 3 hours on Saturdays that are not state holidays.

28
29 **LEGISLATIVE AUDITOR GENERAL**

30 Sec. 12-620. In accordance with section 53 of article IV of the state constitution of
31 1963, the auditor general shall conduct audits of the executive, judicial, and legislative
32 branches.

1 Sec. 12-621. (1) The auditor general shall take all reasonable steps to ensure that
2 certified minority- and women-owned and operated accounting firms, accounting firms owned
3 and operated by persons with disabilities, and accounting firms that are geographically
4 disadvantaged business enterprises participate in the audits of the books, accounts, and
5 financial affairs of each principal executive department, branch, institution, agency, and
6 office of this state.

7 (2) If the auditor general contracts with a firm to perform audits of the principal
8 executive departments and state agencies, the auditor general shall strongly encourage the
9 firm to subcontract with certified minority- and women-owned and operated accounting firms,
10 accounting firms owned and operated by persons with disabilities, and accounting firms that
11 are geographically disadvantaged business enterprises.

12 (3) Not later than November 1, the auditor general shall submit a report to the
13 standard report recipients regarding the number of contracts entered into with certified
14 minority- and women-owned and operated accounting firms, accounting firms owned and
15 operated by persons with disabilities, and accounting firms that are geographically
16 disadvantaged business enterprises.

17 Sec. 12-622. From the funds appropriated in part 1 to the office of the auditor
18 general, the auditor general's salary and the salaries of the remaining 2.0 FTE
19 unclassified positions shall be set by the speaker of the house of representatives, the
20 senate majority leader, the house of representatives minority leader, and the senate
21 minority leader.

22 Sec. 12-623. Any audits, reviews, or investigations requested of the auditor general
23 by the legislature or by legislative leadership, legislative committees, or individual
24 legislators must include an estimate of the additional costs involved and, if those costs
25 exceed \$50,000.00, must provide supplemental funding. The auditor general shall determine
26 whether to perform those activities in accordance with Operations Manual Policy No. 2-26.

27 Sec. 12-627. The unexpended funds appropriated in part 1 for field operations are
28 designated as a work project appropriation, and any unencumbered or unallotted funds shall
29 not lapse at the end of the fiscal year and shall be available for expenditures for
30 projects under this section until the projects have been completed. The following is in
31 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

32 (a) The purpose of the project is to conduct the state of Michigan annual

1 comprehensive financial report.

2 (b) The project will be accomplished by utilizing state employees and contract
3 audits.

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

5 (d) The tentative completion date is September 30, 2031.

6 Sec. 12-628. 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 includes all of the following information related to projects initiated during the
10 immediately preceding quarter:

11 (a) Audit title.

12 (b) Audit type.

13 (c) Audit period.

14 (d) Audit objectives.

15 (e) Branch of government being audited.

16 (f) Whether the auditor general or a contracted auditor is conducting the audit and,
17 if a contracted auditor is conducting the audit, the identity of the contracted auditor.

18 (g) Details regarding the reason for initiating the audit, including whether it was
19 discretionary or required by statute.

20 (h) Details regarding any similar audit the auditor general has completed in the
21 past.

22 (i) Estimated time frame for completion of the audit.

23 (j) Estimated total auditor general resources necessary to complete the audit and
24 release a report.

25 Sec. 12-629. On a quarterly basis, the auditor general shall submit a report to the
26 standard report recipients, the chairpersons of the senate and house of representatives
27 appropriations committees, and the senate and house of representatives oversight committees
28 that includes all of the following information for each project in progress during the
29 immediately preceding quarter:

30 (a) Audit title.

31 (b) Date the audit was initiated.

32 (c) Audit status.

1 (d) Estimated time frame for completion of the audit.

2 (e) Details regarding the resources spent on the audit to date.

3 (f) Estimated total auditor general resources necessary to complete the audit and
4 release a report.

5 Sec. 12-630. On a quarterly basis, the auditor general shall submit a report to the
6 standard report recipients, the chairpersons of the senate and house of representatives
7 appropriations committees, and the senate and house of representatives oversight committees
8 that contains all of the following information for each project completed during the
9 immediately preceding quarter:

10 (a) Audit title.

11 (b) Date the audit was initiated.

12 (c) Date the audit report was released.

13 (d) Results of the audit, including the number and type of findings.

14 (e) Details regarding total auditor general resources spent on the audit.

15 (f) To the extent authorized by law, details regarding any inquiry, tip, or request
16 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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
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1 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

2 **APPROPRIATION SUMMARY**

3 Full-time equated unclassified positions.....	20.0	20.0
4 Full-time equated classified positions.....	1,801.0	1,801.0
5 GROSS APPROPRIATION	\$ 627,477,600	\$ 627,477,600
6 Total interdepartmental grants and intradepartmental		
7 transfers	30,303,000	30,303,000
8 ADJUSTED GROSS APPROPRIATION	\$ 597,174,600	\$ 597,174,600
9 Total federal revenues	30,661,000	30,661,000
10 Total local revenues	0	0
11 Total private revenues	0	0
12 Total other state restricted revenues	291,161,800	291,161,800
13 State general fund/general purpose	\$ 275,351,800	\$ 275,351,800
14 <i>State general fund/general purpose schedule:</i>		
15 <i>Ongoing state general fund/general purpose</i>	<i>275,351,800</i>	<i>275,351,800</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.....	20.0	20.0
19 Full-time equated classified positions.....	106.0	106.0
20 Unclassified salaries-20.0 FTE positions	\$ 3,176,100	\$ 3,176,100
21 Executive director programs-23.0 FTE positions	3,496,200	3,496,200
22 Financial operations-72.0 FTE positions	8,703,500	8,703,500
23 Property management	6,887,200	6,887,200
24 Regulatory effectiveness office-11.0 FTE positions ...	1,716,500	1,716,500
25 Worker's compensation	<u>42,200</u>	<u>42,200</u>
26 GROSS APPROPRIATION	\$ 24,021,700	\$ 24,021,700
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	1,050,400	1,050,400

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Special revenue funds:	
2	Other state restricted revenues	22,548,200 22,548,200
3	State general fund/general purpose	\$ 273,100 \$ 273,100
4	Sec. 13-103. PUBLIC SERVICE COMMISSION	
5	Full-time equated classified positions.....	222.0 222.0
6	Public service commission-222.0 FTE positions	\$ <u>42,926,700</u> \$ <u>42,926,700</u>
7	GROSS APPROPRIATION	\$ 42,926,700 \$ 42,926,700
8	Appropriated from:	
9	Federal revenues:	
10	Other federal revenues	2,704,600 2,704,600
11	Special revenue funds:	
12	Other state restricted revenues	40,222,100 40,222,100
13	State general fund/general purpose	\$ 0 \$ 0
14	Sec. 13-104. LIQUOR CONTROL COMMISSION	
15	Full-time equated classified positions.....	148.0 148.0
16	Liquor licensing and enforcement-148.0 FTE positions .	\$ <u>23,558,300</u> \$ <u>23,558,300</u>
17	GROSS APPROPRIATION	\$ 23,558,300 \$ 23,558,300
18	Appropriated from:	
19	Special revenue funds:	
20	Other state restricted revenues	23,558,300 23,558,300
21	State general fund/general purpose	\$ 0 \$ 0
22	Sec. 13-105. OCCUPATIONAL REGULATION	
23	Full-time equated classified positions.....	928.0 928.0
24	Bureau of community and health systems-162.0 FTE	
25	positions	\$ 27,808,400 \$ 27,808,400
26	Bureau of construction codes-197.0 FTE positions	33,626,700 33,626,700
27	Bureau of fire services-89.0 FTE positions	15,033,700 15,033,700
28	Bureau of professional licensing-198.0 FTE positions .	41,270,800 41,270,800
29	Bureau of survey and certification-173.0 FTE positions	30,047,600 30,047,600
30	Corporations, securities, and commercial licensing	
31	bureau-109.0 FTE positions.....	<u>17,799,000</u> <u>17,799,000</u>
32	GROSS APPROPRIATION	\$ 165,586,200 \$ 165,586,200

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Appropriated from:		
2	Federal revenues:		
3	Other federal revenues	25,726,500	25,726,500
4	Special revenue funds:		
5	Other state restricted revenues	106,330,800	106,330,800
6	State general fund/general purpose	\$ 33,528,900	\$ 33,528,900
7	Sec. 13-106. CANNABIS REGULATORY AGENCY		
8	Full-time equated classified positions.....	182.0	182.0
9	Cannabis regulatory agency-182.0 FTE positions	\$ <u>31,609,900</u>	\$ <u>31,609,900</u>
10	GROSS APPROPRIATION	\$ 31,609,900	\$ 31,609,900
11	Appropriated from:		
12	Special revenue funds:		
13	Other state restricted revenues	31,609,900	31,609,900
14	State general fund/general purpose	\$ 0	\$ 0
15	Sec. 13-107. MICHIGAN OFFICE OF ADMINISTRATIVE		
16	HEARINGS AND RULES		
17	Full-time equated classified positions.....	172.0	172.0
18	Michigan office of administrative hearings and rules		
19	172.0 FTE positions	\$ <u>37,214,400</u>	\$ <u>37,214,400</u>
20	GROSS APPROPRIATION	\$ 37,214,400	\$ 37,214,400
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from other restricted funding	28,704,400	28,704,400
24	Special revenue funds:		
25	Other state restricted revenues	7,911,600	7,911,600
26	State general fund/general purpose	\$ 598,400	\$ 598,400
27	Sec. 13-108. COMMISSIONS		
28	Full-time equated classified positions.....	43.0	43.0
29	Michigan indigent defense commission-21.0 FTE		
30	positions	\$ 3,424,100	\$ 3,424,100
31	Michigan tax tribunal-22.0 FTE positions	4,611,200	4,611,200
32	Michigan unarmed combat commission	<u>126,200</u>	<u>126,200</u>

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	GROSS APPROPRIATION	\$ 8,161,500	\$ 8,161,500
2	Appropriated from:		
3	Special revenue funds:		
4	Other state restricted revenues	4,737,400	4,737,400
5	State general fund/general purpose	\$ 3,424,100	\$ 3,424,100
6	Sec. 13-109. GRANTS		
7	Firefighter training grants	\$ 2,300,000	\$ 2,300,000
8	Liquor law enforcement grants	9,900,000	9,900,000
9	Marihuana operation and oversight grants	3,000,000	3,000,000
10	Michigan indigent defense commission grants	236,016,800	236,016,800
11	Remonumentation grants	6,800,000	6,800,000
12	Utility consumer representation	<u>3,100,000</u>	<u>3,100,000</u>
13	GROSS APPROPRIATION	\$ 261,116,800	\$ 261,116,800
14	Appropriated from:		
15	Special revenue funds:		
16	Other state restricted revenues	25,400,000	25,400,000
17	State general fund/general purpose	\$ 235,716,800	\$ 235,716,800
18	Sec. 13-110. INFORMATION TECHNOLOGY		
19	Information technology services and projects	<u>\$ 33,282,100</u>	<u>\$ 33,282,100</u>
20	GROSS APPROPRIATION	\$ 33,282,100	\$ 33,282,100
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from other restricted funding	1,448,600	1,448,600
24	Federal revenues:		
25	Other federal revenues	1,179,500	1,179,500
26	Special revenue funds:		
27	Other state restricted revenues	28,843,500	28,843,500
28	State general fund/general purpose	\$ 1,810,500	\$ 1,810,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$566,513,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$258,016,800.00. 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.....		236,016,800
Remonumentation grants.....		<u>6,800,000</u>
TOTAL	\$	258,016,800

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 part and part 1:

(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 of representatives 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 and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or

1 agency's website, the department or agency shall maintain on its website all reports placed
2 on the website from previous fiscal years posted by fiscal year in the same single
3 archivable location. The department or agency shall also transmit all required reports for
4 the current fiscal year to the standard recipients and any other required recipients by
5 email.

6 Sec. 13-205. To the extent permissible under section 261 of the management and budget
7 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
8 appropriated in part 1:

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

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

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

17 Sec. 13-206. (1) The department shall maximize utilization of its in-person state
18 workforce. The department shall prioritize occupancy utilization of office space for each
19 division within the department. Employees with job responsibilities that require the
20 employees to serve in their capacities outside of an office shall be monitored each pay
21 period to ensure all work hours reported on the timesheet were actually worked.

22 (2) The department shall comply with requirements set forth by the office of the
23 state employer on in-person work and utilization and occupancy rates of state buildings to
24 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
25 market conditions.

26 (3) The department shall adhere to civil service rules and regulations that state the
27 standard biweekly work period for a full-time employee in the classified service of this
28 state is the equivalent of 80.0 hours of work. The department shall establish policies and
29 processes to ensure all employees are working their jobs during agreed upon business hours.

30 Sec. 13-207. Consistent with section 217 of the management and budget act, 1984 PA
31 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
32 prepare a report on out of state travel expenses not later than January 1. The report must

1 list all travel by classified and unclassified employees outside this state in the previous
2 fiscal year that was funded in whole or in part with funds appropriated in the department's
3 or agency's budget. The department or agency shall submit the report to the standard report
4 recipients and to the house and senate appropriations committees. The report must include
5 all of the following information:

6 (a) The dates of each travel occurrence.

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

10 Sec. 13-208. Not later than 6 months after the state budget office issues work
11 project letters, a department, agency and the legislature shall submit an annual report
12 that summarizes all work project accounts. The report must include all of the following:

13 (a) A list of all work project accounts.

14 (b) The status of all work project accounts, including amounts expended, amounts
15 encumbered, and available balances for each account.

16 (c) The amount of funds that lapsed from any previously designated work project
17 accounts, the name and description of the work project account, and the funds that received
18 the lapsed amounts.

19 Sec. 13-209. 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 appropriations
25 committees.

26 Sec. 13-210. (1) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$1,000,000.00 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 \$25,000,000.00 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 \$200,000.00 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 \$100,000.00 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. 13-211. 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 Sec. 13-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
20 a marginalized community's access to government resources, programs, or facilities.

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

23 Sec. 13-213. To the extent permissible under the management and budget act, 1984 PA
24 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
25 appropriations in part 1 shall take all reasonable steps to ensure geographically
26 disadvantaged business enterprises compete for and perform contracts to provide services or
27 supplies, or both. Each director shall strongly encourage firms with which the department
28 or agency contracts to subcontract with certified geographically disadvantaged business
29 enterprises for services, supplies, or both. As used in this section, "geographically
30 disadvantaged business enterprises" means that term as defined in Executive Directive No.
31 2023-1.

32 Sec. 13-214. The department must provide an annual report to the standard report

1 recipients detailing significant federal policy changes that do, or are expected to
2 significantly impact the operations of the department, including reductions in federal
3 revenue and/or changes that are likely to lead to a reduction in the department's ability
4 to safeguard the health or welfare of the public.

5 Sec. 13-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
6 agencies shall provide to the state budget office a jointly agreed upon list of
7 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
8 of 2025. The list must include all information and documents pertaining to the funded items
9 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

10 (2) In accordance with section 364(4) of the Management and Budget Act, the
11 department or agency administering the grant shall post a report in a publicly accessible
12 location on its website beginning March 15 of the current fiscal year. The department or
13 agency shall update the report and shall post an updated report not later than June 15 of
14 the current fiscal year and again not later than September 15 of the current fiscal year.
15 The department shall include in the report the most comprehensive information the
16 department has available at the time of posting for grants awarded.

17 Sec. 13-216. On a quarterly basis, a department or agency receiving appropriations in
18 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
19 classification, including comparison by line item of the number of FTEs authorized from
20 funds appropriated in part 1 to the actual number of FTE positions employed by the
21 department or agency at the end of the reporting period. The report must be submitted to
22 the senate and house appropriations committees and to the standard report recipients.

23 Sec. 13-217. The state budget director shall take steps to ensure that all state
24 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
25 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
26 recovery funds that would otherwise lapse after September 30, 2026, are automatically
27 reappropriated for the same purpose as originally authorized and available for expenditure
28 through December 31, 2026, and any subsequent financial close out period.

29 Sec. 13-218. (1) The state budget director shall take steps to ensure that all state
30 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
31 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
32 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal

1 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
2 that may include, but are not limited to, completed projects coming in under budget or
3 funds unable to be fully used by subrecipients. The state budget director shall reallocate
4 any of the funds reallocated under this subsection to the programs or purposes specified in
5 this section. Any funds reallocated are unappropriated and immediately reappropriated for
6 the following purposes:

7 (a) To reclassify general fund/general purpose appropriations for payroll and covered
8 benefits for eligible public health and safety employees at the department of corrections.

9 (b) To reclassify general fund/general purpose appropriations for payroll and covered
10 benefits for eligible public health and safety employees at the department of state police.

11 (2) All applicable guidance, implementation, and reporting provisions of Public Law
12 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
13 subsection (1).

14 (3) The state budget director shall notify the senate and house appropriations
15 committees not later than 10 business days after making any reallocations under subsection
16 (1). The notification must include the authorized program under which funds were originally
17 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
18 department to which the funds are being reallocated under subsection (1), and the amount
19 reallocated to each program or purpose.

20 Sec. 13-252. (1) The department may charge registration fees to attendees of
21 informational, training, or special events that are sponsored by the department and related
22 to activities under the department's purview.

23 (2) The registration fees must reflect the costs for the department to sponsor the
24 informational, training, or special events.

25 (3) Revenue generated by the registration fees is appropriated on receipt and may be
26 expended by the department to cover the department's costs of sponsoring informational,
27 training, or special events.

28 (4) Revenue generated by registration fees in excess of the department's costs of
29 sponsoring informational, training, or special events carries forward to the subsequent
30 fiscal year and does not lapse to the general fund.

31 Sec. 13-253. The department may provide to interested entities otherwise unavailable
32 customized listings of nonconfidential information, such as the names and addresses of

1 licensees, in the department's possession. The department may establish and collect a
2 reasonable fee to provide this service. Revenue generated from this service is appropriated
3 on receipt and must be used to offset the expenses of the service. Any balance of this
4 revenue collected and unexpended at the end of the fiscal year lapses to the appropriate
5 restricted fund.

6 Sec. 13-254. (1) The department shall sell documents at a price not to exceed the
7 cost of production and distribution. Money received from the sale of these documents
8 reverts to the department. In addition to the funds appropriated in part 1, funds received
9 by the department under this subsection may be expended by the department upon receipt by
10 the department of treasury. This subsection applies for only the following:

11 (a) Corporation and securities division documents, reports, and papers required or
12 permitted by law in accordance with section 1060(6) of the business corporation act, 1972
13 PA 284, MCL 450.2060.

14 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

15 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the
16 business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation
17 act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA
18 551, MCL 451.2101 to 451.2703.

19 (d) Construction code manuals.

20 (e) Copies of transcripts from administrative law hearings.

21 (2) In addition to the funds appropriated in part 1, funds appropriated for the
22 department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969
23 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act,
24 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the
25 cost of publication and distribution.

26 (3) Unexpended funds at the end of the fiscal year carry forward to the subsequent
27 fiscal year and do not lapse to the general fund.

28 Sec. 13-255. (1) Grants supported with private revenues received by the department
29 are appropriated on receipt and may be expended by the department for the purposes
30 specified within the grant agreement and as permitted under state and federal law.

31 (2) Not later than 10 days after the receipt of a private grant appropriated in
32 subsection (1), the department shall notify the chairpersons of the subcommittees, the

1 senate and house fiscal agencies, and the state budget office of the receipt of the grant,
2 including the fund source, purpose, and amount of the grant.

3 Sec. 13-256. Unless prohibited by law, the department may accept credit card or other
4 electronic means of payment for licenses, fees, or permits.

5 Sec. 13-257. The department may carry into the succeeding fiscal year unexpended
6 federal pass-through funds to local institutions and governments that do not require
7 additional state matching funds. Federal pass-through funds to local institutions and
8 governments that are received in amounts in addition to those included in part 1 and that
9 do not require additional state matching funds are appropriated for the purposes intended
10 for the federal pass-through funds. Not later than 14 days after the receipt of federal
11 pass-through funds, the department shall notify the chairpersons of the subcommittees, the
12 senate and house fiscal agencies, and the state budget office of pass-through funds
13 appropriated under this section.

14 Sec. 13-258. (1) Not later than December 31, the department shall submit a report
15 that pertains to licensing and regulatory programs overseen by the following agencies:

- 16 (a) Liquor control commission.
- 17 (b) Bureau of fire services.
- 18 (c) Corporations, securities, and commercial licensing bureau.
- 19 (d) Bureau of professional licensing.

20 (2) The report under subsection (1) must be in a format that is consistent between
21 the agencies listed in subsection (1) and must provide, but is not limited to, the
22 following information for the previous fiscal year, as applicable, for each agency:

- 23 (a) Revenue generated by and expenditures disbursed for each regulatory fund.
- 24 (b) The renewal cycle and amount of each fee charged.
- 25 (c) Number of initial applications.
- 26 (d) Number of initial applications denied.
- 27 (e) Number of license renewals.
- 28 (f) Average amount of time to approve or deny completed applications.
- 29 (g) Number of examinations proctored for initial applications.
- 30 (h) A description of the types of complaints received.
- 31 (i) A description of the process used to resolve complaints.
- 32 (j) Number of complaints received.

1 (k) Number of complaints investigated.
2 (l) Number of complaints closed with no action.
3 (m) Number of complaints resulting in administrative actions or citations.
4 (n) Average amount of time to complete investigations.
5 (o) Number of enforcement actions, including license revocations, suspensions, and
6 fines.

7 (p) A description of the types of enforcement actions taken against licensees.

8 (q) Number of administrative hearing adjudications.

9 (3) An agency listed in subsection (1) (a) or (b) shall report by regulated activity
10 and an agency listed in subsection (1) (c) or (d) shall report by regulatory product or
11 regulated activity, or both.

12 (4) As used in this section:

13 (a) Regulated activity means the particular activities, entities, facilities, and
14 industries regulated by the agencies specified in subsection (1).

15 (b) Regulatory product means each occupation, profession, trade, or program, which
16 includes licensure, certification, registration, inspection, review, permitting, approval,
17 or any other regulatory service provided by the agencies specified in subsection (1) for
18 each regulated activity.

19 Sec. 13-280. (1) The attorney general support fund is created within the department
20 of treasury.

21 (2) Any unexpended funds in the attorney general support fund created in this section
22 shall be carried forward and are available for expenditure under this section.

23 (3) Funds may be spent from the attorney general support fund only on appropriation,
24 or legislative transfer pursuant to section 393(2) of the management and budget act, 1984
25 PA 431, MCL 18.1393.

26 (4) The state treasurer may receive money or other assets from any source for deposit
27 into the attorney general support fund. The state treasurer shall direct the investment of
28 the attorney general support fund. The state treasurer shall credit to the attorney general
29 support fund interest and earnings from the attorney general support fund.

30 (5) Funds in the attorney general support fund at the close of the fiscal year remain
31 in the attorney general support fund and do not lapse to the general fund.

32 (6) The department is the administrator of the fund for auditing purposes.

1 (7) From fees authorized under section 1060 of the business corporation act, 1972 PA
2 284, MCL 450.2060, \$8,112,200.00 is appropriated to the attorney general support fund.

3 (8) From the attorney general support fund created in subsection (1), \$8,112,200.00
4 is appropriated.

5
6 **PUBLIC SERVICE COMMISSION**

7 Sec. 13-301. The public service commission administers the low-income energy
8 assistance grant program on behalf of the Michigan department of health and human services
9 via an interagency agreement. Funds supporting the grant program are appropriated to the
10 department upon the awarding of grants and may be expended for grant payments and
11 administrative-related expenses incurred in the operation of the grant program.

12
13 **LIQUOR CONTROL COMMISSION**

14 Sec. 13-401. (1) From the funds appropriated in part 1 from the direct shipper
15 enforcement revolving fund, the liquor control commission shall expend the funds as
16 required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL
17 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries
18 and retailers, with priority directed toward unlicensed out-of-state retailers and third-
19 party marketers. In addition to other investigative methods, the commission shall use
20 shipping records available to the commission under section 203(21) of the Michigan liquor
21 control code of 1998, 1998 PA 58, MCL 436.1203, to assist with the effort to investigate
22 and audit unlawful direct shipments of wine by unlicensed wineries and retailers. The
23 liquor control commission shall refer all identified unlicensed out-of-state retailers and
24 third-party marketers to the attorney general.

25 (2) Not later than February 1, the liquor control commission shall provide a report
26 to the legislature and the standard report recipients that details the commission's
27 activities to investigate and audit the illegal shipping of wine and the results of the
28 activities. The report must include all of the following:

29 (a) Work hours spent, specific actions performed, and the number of full-time equated
30 positions dedicated to identifying and stopping unlicensed out-of-state retailers, third-
31 party marketers, and wineries that ship illegally in Michigan.

32 (b) General overview of expenditures associated with efforts to identify and stop

1 unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally
2 in this state.

3 (c) Number of out-of-state entities found to have illegally shipped wine into this
4 state and total number of 750 ml bottles, number of cases with 750 ml bottles, number of
5 liters, number of gallons, or weight of illegally shipped wine. These items must be
6 itemized by total number of retailers and total number of wineries.

7 (d) Suggested areas of focus on how to address direct shipper enforcement and illegal
8 importation in the future.

9 (e) Number of unlicensed out-of-state entities found to have illegally shipped wine
10 into this state that were identified with the shipping records described in subsection (1).

11 (f) Number of notices sent under subsection (3).

12 (3) From the funds appropriated in part 1 from the direct shipper enforcement
13 revolving fund, the liquor control commission shall send a notice to each unlicensed out-
14 of-state entity found to have illegally shipped wine into this state. The notice must
15 include all of the following statements:

16 (a) That shipping wine into this state by unlicensed out-of-state retailers and
17 third-party marketers is illegal, and wineries shipping into this state must obtain a
18 direct shipper license.

19 (b) That under section 909 of the Michigan liquor control code of 1998, 1998 PA 58,
20 MCL 436.1909, making unlawful shipments of wine into this state may be a felony punishable
21 by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

22 (c) That the matter has been referred to the attorney general.

23

24 **OCCUPATIONAL REGULATION**

25 Sec. 13-501. The department shall not expend the funds appropriated under this part
26 and part 1 for the bureau of fire services unless, in accordance with section 2c of the
27 fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees are charged
28 according to the following fee schedule:

29 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>

1	Nursing homes	Any	\$5.00 per bed
2	<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
3	Homes for the Aged	Any	\$5.00 per bed
4	<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
5	Adult Foster Care	Any	\$5.00 per bed

7 Plan review and construction inspection fees for hospitals and schools

8	<u>Project cost range</u>	<u>Fee</u>
9	\$101,000.00 or less	minimum fee of \$155.00
10	\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
11	\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
12	\$10,000,001.00 or more	\$1.10 per \$1,000.00
13		or a maximum fee of \$60,000.00

15 Sec. 13-502. The funds collected by the department for licenses, permits, and other
16 elevator regulation fees under the Michigan Administrative Code and as determined under
17 section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that
18 are unexpended at the end of the fiscal year carry forward to the subsequent fiscal year.

19 Sec. 13-503. Not later than February 15, the department shall submit a report to the
20 standard report recipients that provides all of the following information:

21 (a) The number of veterans who were separated from service in the Armed Forces of the
22 United States with an honorable character of service or under honorable conditions
23 (general) character of service, individually or if the veteran holds a majority interest of
24 a corporation or limited liability company, that were exempted from paying licensure,
25 registration, filing, or any other fees collected under each licensure or regulatory
26 program administered by the bureau of construction codes, the bureau of professional
27 licensing, and the corporations, securities, and commercial licensing bureau during the
28 previous fiscal year.

29 (b) The specific fees and total amount of revenue exempted under each licensure or
30 regulatory program administered by the bureau of construction codes, the bureau of
31 professional licensing, and the corporations, securities, and commercial licensing bureau
32 during the previous fiscal year.

1 (c) The actual costs of providing licensing and other regulatory services to veterans
2 exempted from paying licensure, registration, filing, or any other fees during the previous
3 fiscal year and a description of how the actual costs were calculated.

4 (d) The estimated amount of revenue that will be exempted under each licensure or
5 regulatory program administered by the bureau of construction codes, the bureau of
6 professional licensing, and the corporations, securities, and commercial licensing bureau
7 in both the current and subsequent fiscal years and a description of how the exempted
8 revenue was estimated.

9 Sec. 13-504. Revenue collected by the department for the bureau of community and
10 health systems from fees and collections that exceeds the amount appropriated in part 1,
11 the revenue must be carried forward into the subsequent fiscal year. The revenue carried
12 forward under this section must be used as the first source of funds in the subsequent
13 fiscal year.

14 Sec. 13-505. (1) To defray the costs associated with responding to false final
15 inspection appointments and to discourage the practice of calling for final inspections
16 when a project is incomplete or noncompliant with a plan of correction previously provided
17 by the bureau of fire services, the bureau of fire services may assess a fee of not more
18 than \$500.00 for responding to a second or subsequent confirmed false inspection
19 appointment. Fees collected under this section must be deposited into the restricted
20 account described in section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, and
21 explicitly identified within the statewide integrated governmental management applications
22 system.

23 (2) Not later than September 30, the department shall submit a report to the standard
24 report recipients that provides all of the following:

25 (a) The amount of the fee assessed under subsection (1).

26 (b) The number of fees assessed and issued per region.

27 (c) The cost allocation for the work performed and reduced as a result of this
28 section.

29 (d) Any recommendations for consideration by the legislature.

30 Sec. 13-506. Not later than November 30, the department shall submit a report to the
31 standard report recipients on the Michigan automated prescription system. The report must
32 include, but is not limited to, all of the following:

1 (a) The total number of licensed health professionals registered to the Michigan
2 automated prescription system.

3 (b) The total number of dispensers registered to the Michigan automated prescription
4 system.

5 (c) The total number of prescribers using the Michigan automated prescription system.

6 (d) The total number of dispensers using the Michigan automated prescription system.

7 (e) The total number of cases related to overprescribing, overdispensing, and drug
8 diversion where the department took administrative action because of information and data
9 generated from the Michigan automated prescription system.

10 (f) The total number of hospitals, doctor's offices, pharmacies, and other health
11 facilities that have integrated the Michigan automated prescription system into the
12 facility's electronic health records systems.

13 (g) The total number of delegate users registered to the Michigan automated
14 prescription system.

15 Sec. 13-507. (1) From the funds appropriated in part 1 for bureau of construction
16 codes, resources must be allocated for inspections and enforcement activities related to
17 the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to 408.670, and the ski
18 area safety act of 1962, 1962 PA 199, MCL 408.321 to 408.344.

19 (2) Not later than March 30, the department shall submit a report to the standard
20 report recipients that details the allocation of funds under this section. The report must
21 include an itemized listing of how the funds were used.

22 Sec. 13-508. (1) Funds remaining in the homeowner construction lien recovery fund are
23 appropriated to the department for payment of court-ordered homeowner construction lien
24 recovery fund judgments entered before August 23, 2010. Subject to available funds, the
25 payment of final judgments must be made in the order in which the final judgments were
26 entered and began accruing interest.

27 (2) No later than September 30, the department shall transmit a report to the
28 standard report recipients that details the revenue sources for the fund.

29 Sec. 13-509. From the funds appropriated in part 1 for the bureau of fire services,
30 in accordance with the requirements under section 21c of the fire prevention code, 1941 PA
31 207, MCL 29.21c, the bureau shall perform or work in cooperation with local units of
32 government to perform inspections at places of public assembly that pose the highest risk

1 to occupants for injury or fatality based on the size, density, or the nature of activities
2 performed within the facility.

3 Sec. 13-510. From the funds appropriated in part 1 for bureau of survey and
4 certification, the department shall submit a report pertaining to bureau activities,
5 including surveys and investigations of nursing homes, hospitals, and acute continuing care
6 providers to the standard report recipients not later than March 30.

7

8 **CANNABIS REGULATORY AGENCY**

9 Sec. 13-601. Not later than January 31, the department shall submit a comprehensive
10 report to the standard report recipients for all marihuana programs administered by the
11 cannabis regulatory agency. This report must include, but is not limited to, all of the
12 following information for the previous fiscal year regarding the marihuana programs under
13 the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical
14 marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the
15 Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

16 (a) The number of initial applications received, by license category.

17 (b) The number of initial applications approved and the number of initial
18 applications denied, by license category.

19 (c) The average amount of time, from receipt to approval or denial, to process an
20 initial application, by license category.

21 (d) The number of renewal applications approved, by license category and by county.

22 (e) The number of renewal applications received, by license category and by county,
23 if applicable.

24 (f) The number of renewal applications denied, by license category and by county.

25 (g) The average amount of time, from receipt to approval or denial, to process a
26 renewal application, by license category, if applicable.

27 (h) The percentage of initial applications not approved or denied within the time
28 requirements established in the respective act, by license category, if applicable.

29 (i) The percentage of renewal applications not approved or denied within the time
30 requirements established in the respective act, by license category, if applicable.

31 (j) The total amount collected from application fees or established regulatory
32 assessment and the specific fund the amount is deposited into, by license category.

1 (k) The registered names and addresses of all facilities licensed under each act, by
2 license category and by county.

3 (l) The number of complaints received pertaining to each act, by license type or
4 regulatory activity.

5 (m) A description of the types of complaints received.

6 (n) A description of the process used to resolve complaints.

7 (o) The number of investigations opened pertaining to each license category.

8 (p) The number of investigations closed pertaining to each license category.

9 (q) The average amount of time to complete investigations pertaining to each license
10 category.

11 (r) The number of enforcement actions pertaining to each license category.

12 (s) A description of the types of enforcement actions taken against licensees.

13 (t) The number of administrative-hearing adjudications pertaining to each license
14 type.

15 (u) A list of the fees charged for license applications, license renewals, and
16 registry cards.

17 (v) The costs of administering the licensing program under each act.

18 Sec. 13-602. From the funds appropriated in part 1, the cannabis regulatory agency
19 shall post on a publicly accessible website a list of all of the following:

20 (a) The number of investigative reports that identify violations of the Michigan
21 Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana
22 facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan
23 Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, or
24 violations of administrative rules promulgated under the Michigan Medical Marihuana Act,
25 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016
26 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and Taxation of Marihuana
27 Act, 2018 IL 1, MCL 333.27951 to 333.27967.

28 (b) The number of investigative reports that identify suspected marihuana product
29 that does not have the tracking numbers assigned by the statewide monitoring system
30 affixed, tagged, or labeled as required by law.

31 (c) The number of complaints filed by the public with the agency that concern either
32 of the following:

1 (i) Marihuana product that does not have the tracking numbers assigned by the
2 statewide monitoring system affixed, tagged, or labeled as required by law.

3 (ii) Unlicensed commercial production or sale of delta-8 THC.

4 (d) The number and outcome of all agency disciplinary proceedings initiated against
5 any licensee subject to the reports or complaints in subdivisions (a), (b), and (c).

6 (e) The number of reports the agency referred to the department of state police or
7 other appropriate law enforcement agency.

8 (f) For any licensee subject to disciplinary proceedings initiated by the agency:

9 (i) Description of the allegation.

10 (ii) Complaint type.

11 (iii) Process used to resolve the allegation.

12 (iv) Name of the law enforcement agency the allegation was referred to, including the
13 date of the referral.

14 (v) Current license status on the day of this report and whether or not the license
15 was suspended, surrendered, or revoked.

16 (vi) Fines or other penalties issued.

17 Sec. 13-603. Not later than January 31, the department shall submit a comprehensive
18 report to the standard report recipients for all hemp programs administered by the cannabis
19 regulatory agency. The report must include, but is not limited to, all of the following:

20 (a) The total amount of fees collected by the cannabis regulatory agency from
21 regulatory and licensing activities related to hemp and hemp processor-handlers.

22 (b) The total cost of administering hemp regulatory and licensing programs.

23 (c) The total number of hemp processor-handlers and any other hemp licensees licensed
24 in this state, by county.

25 (d) A list and description of any fees that the cannabis regulatory agency assesses
26 on hemp processor-handler licensees.

27 (e) The number of inspections conducted per year and the result of each inspection.

28 (f) The number of hemp license applications and hemp license approvals per year.

29
30 **COMMISSIONS**

31 Sec. 13-801. If Byrne formula grant funding is awarded to the Michigan indigent
32 defense commission created under section 5 of the Michigan indigent defense commission act,

1 2013 PA 93, MCL 780.985, the Michigan indigent defense commission may receive and expend
2 Byrne formula grant funds as an interdepartmental grant from the department of state
3 police. The Michigan indigent defense commission may receive and expend federal grant funds
4 from the United States Department of Justice.

5 Sec. 13-802. From the funds appropriated in part 1, not later than March 1, the
6 Michigan indigent defense commission shall submit a report to the standard report
7 recipients on all of the following information:

8 (a) A detailed list of the total amount approved for each funding unit for the
9 previous fiscal year to implement all approved indigent defense standards. The list must
10 include the amount of state funding and local share for each system.

11 (b) A listing of expenditures by category for the previous fiscal year for each
12 funding unit.

13 (c) A comparison of the total system cost for the previous two fiscal years organized
14 by Michigan indigent defense commission region.

15 Sec. 13-803. Upon enactment of Senate Bill No. 81 of the 103rd Legislature or House
16 Bill 4070 of the 103rd Legislature, the Michigan indigent defense commission shall utilize
17 available funding to begin the development and implementation of minimum standards for
18 youth defense services in accordance with the Michigan indigent defense commission act,
19 2013 PA 93, MCL 780.981 to 780.1003.

20 Sec. 13-804. From the funds appropriated in part 1, the Michigan indigent defense
21 commission shall notify the standard report recipients not more than 60 days after the
22 adoption of any new indigent defense standard. The notification must include an estimated
23 cost projection to fund the adopted indigent defense standard for the initial and
24 subsequent fiscal years.

25

26 **GRANTS**

27 Sec. 13-901. (1) From the funds appropriated in part 1 for marihuana operation and
28 oversight grants, the department shall expend the funds for grants to counties for
29 education and outreach programs that relate to the Michigan medical marihuana program and
30 the adult-use marihuana program, in accordance with section 6(1) of the Michigan Medical
31 Marihuana Act, 2008 IL 1, MCL 333.26426, and section 14 of the Michigan Regulation and
32 Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated from

1 application and license fees authorized under section 8(1)(b) of the Michigan Regulation
2 and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958. The grants must be distributed
3 proportionately based on the number of registry identification cards issued to or renewed
4 for the residents of each county that applied for a grant under subsection (2). For the
5 purposes of this subsection, operation and oversight grants are for education,
6 communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL
7 333.26421 to 333.26430, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL
8 1, MCL 333.27951 to 333.27967. Grants provided under this section must not be used for law
9 enforcement purposes.

10 (2) Not later than December 1, the department shall post a listing of potential grant
11 funds available to each county on the department's website. In addition, the department
12 shall work collaboratively with counties regarding the availability of the grant funds. A
13 county that requests grant funds shall apply on a form developed by the department and
14 available on the department's website. The form must contain the county's specific
15 projected plan for use of the grant funds and its agreement to maintain all records and to
16 submit documentation to the department to support the use of the grant funds.

17 (3) To be eligible to receive a grant under subsection (1), a county shall apply not
18 later than January 1 and submit a report to the department not later than September 15 on
19 how the grant was expended. The department shall submit a report to the standard report
20 recipients not later than October 15 of the subsequent fiscal year that details the grant
21 amounts by recipient and the reported uses of the grants in the previous fiscal year and
22 details the calculation for the amount for which each county was eligible.

23 Sec. 13-902. (1) The funds appropriated in part 1 for firefighter training grants
24 must be expended only for payments to counties to reimburse organized fire departments for
25 firefighter training and other activities required under the firefighters training council
26 act, 1966 PA 291, MCL 29.361 to 29.377.

27 (2) If the funds appropriated in part 1 for firefighter training grants are expended
28 by the firefighters training council created under section 3 of the firefighters training
29 council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the
30 firefighters training council act, 1966 PA 291, MCL 29.374, all of the following apply to
31 the extent otherwise permissible by law:

32 (a) The funds appropriated in part 1 for firefighter training grants must be

1 allocated in accordance with section 14(2) of the firefighters training council act, 1966
2 PA 291, MCL 29.374.

3 (b) If the funds allocated to any county under subdivision (a) are less than
4 \$5,000.00, the funds allocated to each county under subdivision (a) must be adjusted to
5 provide for a minimum payment of \$5,000.00 to each county.

6 (3) Not later than February 1, the department shall submit a financial report to the
7 standard report recipients that identifies all of the following information for the
8 previous fiscal year:

9 (a) The amount of the payments that would be made to each county if the distribution
10 formula described in section 14(2) of the firefighters training council act, 1966 PA 291,
11 MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1
12 for firefighter training grants.

13 (b) The amount of the payments approved by the firefighters training council for
14 allocation to each county.

15 (c) The amount of the payments actually expended or encumbered within each county.

16 (d) A description of any other payments or expenditures made under the authority of
17 the firefighters training council.

18 (e) The amount of payments approved for allocations to counties that was not expended
19 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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027

For Fiscal
Year Ending
Sept. 30, 2028

1	DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	342.0	342.0
5	GROSS APPROPRIATION	\$ 652,672,900	\$ 652,672,900
6	Total interdepartmental grants and intradepartmental		
7	transfers	0	0
8	ADJUSTED GROSS APPROPRIATION	\$ 652,672,900	\$ 652,672,900
9	Total federal revenues	418,323,900	418,323,900
10	Total local revenues	0	0
11	Total private revenues	1,000,000	1,000,000
12	Total other state restricted revenues	1,897,300	1,897,300
13	State general fund/general purpose	\$ 231,451,700	\$ 231,451,700
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>231,451,700</i>	<i>231,451,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>	<i>0</i>
17	Sec. 14-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	37.0	37.0
20	Executive direction and operations-37.0 FTE positions	\$ 7,458,100	\$ 7,458,100
21	Property management	165,500	165,500
22	Unclassified salaries-6.0 FTE positions	1,029,500	1,029,500
23	Worker's compensation	<u>3,700</u>	<u>3,700</u>
24	GROSS APPROPRIATION	\$ 8,656,800	\$ 8,656,800
25	Appropriated from:		
26	Federal revenues:		
27	Other federal revenues	1,174,400	1,174,400
28	Special revenue funds:		
29	State general fund/general purpose	\$ 7,482,400	\$ 7,482,400
30	Sec. 14-103. INFORMATION TECHNOLOGY		
31	Information technology services and projects	\$ <u>1,021,700</u>	\$ <u>1,021,700</u>
32	GROSS APPROPRIATION	\$ 1,021,700	\$ 1,021,700

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Appropriated from:	
2	Federal revenues:	
3	Other federal revenues	227,600 227,600
4	Special revenue funds:	
5	State general fund/general purpose	\$ 794,100 \$ 794,100
6	Sec. 14-104. OFFICE OF EARLY CHILDHOOD EDUCATION	
7	Full-time equated classified positions.....	233.0 233.0
8	Child development and care contracted services	\$ 22,900,000 \$ 22,900,000
9	Child development and care external support	11,074,100 11,074,100
10	Child development and care public assistance	543,312,000 543,312,000
11	Childcare licensing and regulation-167.0 FTE positions	30,457,600 30,457,600
12	Head start collaboration office-1.0 FTE position	427,700 427,700
13	Office of great start operations-65.0 FTE positions ..	17,984,700 17,984,700
14	Tri-share child care program	<u>3,400,000</u> <u>3,400,000</u>
15	GROSS APPROPRIATION	\$ 629,556,100 \$ 629,556,100
16	Appropriated from:	
17	Federal revenues:	
18	Other federal revenues	415,586,400 415,586,400
19	Special revenue funds:	
20	Private revenues	1,000,000 1,000,000
21	Other state restricted revenues	566,300 566,300
22	State general fund/general purpose	\$ 212,403,400 \$ 212,403,400
23	Sec. 14-105. OFFICE OF EDUCATION PARTNERSHIPS	
24	Full-time equated classified positions.....	21.0 21.0
25	Before-and after-school administration-2.0 FTE	
26	positions	\$ 372,300 \$ 372,300
27	Camp licensing unit-7.0 FTE positions	719,500 719,500
28	Family and community engagement-12.0 FTE positions ...	<u>2,410,000</u> <u>2,410,000</u>
29	GROSS APPROPRIATION	\$ 3,501,800 \$ 3,501,800
30	Appropriated from:	
31	Federal revenues:	
32	Other federal revenues	1,335,500 1,335,500

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Special revenue funds:	
2		
3	44,200	44,200
4		
5	\$ 2,122,100	\$ 2,122,100
6	Sec. 14-106. OFFICE OF HIGHER EDUCATION	
7		
8	51.0	51.0
9		
10		
11	\$ <u>9,936,500</u>	\$ <u>9,936,500</u>
12		
	\$ 9,936,500	\$ 9,936,500
	Appropriated from:	
	Special revenue funds:	
	1,286,800	1,286,800
	\$ 8,649,700	\$ 8,649,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$233,349,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$0.00.

Sec. 14-202. 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. 14-203. As used in this part and part 1:

(a) "Department" means the department of lifelong education, advancement, and potential.

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

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

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

(e) "IDG" means interdepartmental grant.

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

Sec. 14-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 14-205. 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. 14-206. (1) The department shall maximize utilization of its in-person state
12 workforce. The department shall prioritize occupancy utilization of office space for each
13 division within the department. Employees with job responsibilities that require the
14 employees to serve in their capacities outside of an office shall be monitored each pay
15 period to ensure all work hours reported on the timesheet were actually worked.

16 (2) The department shall comply with requirements set forth by the office of the
17 state employer on in-person work and utilization and occupancy rates of state buildings to
18 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
19 market conditions.

20 (3) The department shall adhere to civil service rules and regulations that state the
21 standard biweekly work period for a full-time employee in the classified service of this
22 state is the equivalent of 80.0 hours of work. The department shall establish policies and
23 processes to ensure all employees are working their jobs during agreed upon business hours.

24 Sec. 14-207. Consistent with section 217 of the management and budget act, 1984 PA
25 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
26 prepare a report on out of state travel expenses not later than January 1. The report must
27 list all travel by classified and unclassified employees outside this state in the previous
28 fiscal year that was funded in whole or in part with funds appropriated in the department's
29 or agency's budget. The department or agency shall submit the report to the standard report
30 recipients and to the house and senate appropriations committees. The report must include
31 all of the following information:

32 (a) The dates of each travel occurrence.

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

4 Sec. 14-208. Not later than 6 months after the state budget office issues work
5 project letters, a department, agency and the legislature shall submit an annual report
6 that summarizes all work project accounts. The report must include all of the following:

7 (a) A list of all work project accounts.

8 (b) The status of all work project accounts, including amounts expended, amounts
9 encumbered, and available balances for each account.

10 (c) The amount of funds that lapsed from any previously designated work project
11 accounts, the name and description of the work project account, and the funds that received
12 the lapsed amounts.

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 appropriations
19 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 Sec. 14-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
14 a marginalized community's access to government resources, programs, or facilities.

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

17 Sec. 14-213. To the extent permissible under the management and budget act, 1984 PA
18 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
19 appropriations in part 1 shall take all reasonable steps to ensure geographically
20 disadvantaged business enterprises compete for and perform contracts to provide services or
21 supplies, or both. Each director shall strongly encourage firms with which the department
22 or agency contracts to subcontract with certified geographically disadvantaged business
23 enterprises for services, supplies, or both. As used in this section, "geographically
24 disadvantaged business enterprises" means that term as defined in Executive Directive No.
25 2023-1.

26 Sec. 14-214. The department must provide an annual report to the standard report
27 recipients detailing significant federal policy changes that do, or are expected to
28 significantly impact the operations of the department, including reductions in federal
29 revenue and/or changes that are likely to lead to a reduction in the department's ability
30 to safeguard the health or welfare of the public.

31 Sec. 14-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
32 agencies shall provide to the state budget office a jointly agreed upon list of

1 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
2 of 2025. The list must include all information and documents pertaining to the funded items
3 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

4 (2) In accordance with section 364(4) of the Management and Budget Act, the
5 department or agency administering the grant shall post a report in a publicly accessible
6 location on its website beginning March 15 of the current fiscal year. The department or
7 agency shall update the report and shall post an updated report not later than June 15 of
8 the current fiscal year and again not later than September 15 of the current fiscal year.
9 The department shall include in the report the most comprehensive information the
10 department has available at the time of posting for grants awarded.

11 Sec. 14-216. On a quarterly basis, a department or agency receiving appropriations in
12 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
13 classification, including comparison by line item of the number of FTEs authorized from
14 funds appropriated in part 1 to the actual number of FTE positions employed by the
15 department or agency at the end of the reporting period. The report must be submitted to
16 the senate and house appropriations committees and to the standard report recipients.

17 Sec. 14-217. 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. Any state fiscal
20 recovery funds that would otherwise lapse after September 30, 2026, are automatically
21 reappropriated for the same purpose as originally authorized and available for expenditure
22 through December 31, 2026, and any subsequent financial close out period.

23 Sec. 14-218. (1) The state budget director shall take steps to ensure that all state
24 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
25 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
26 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
27 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
28 that may include, but are not limited to, completed projects coming in under budget or
29 funds unable to be fully used by subrecipients. The state budget director shall reallocate
30 any of the funds reallocated under this subsection to the programs or purposes specified in
31 this section. Any funds reallocated are unappropriated and immediately reappropriated for
32 the following purposes:

1 (a) To reclassify general fund/general purpose appropriations for payroll and covered
2 benefits for eligible public health and safety employees at the department of corrections.

3 (b) To reclassify general fund/general purpose appropriations for payroll and covered
4 benefits for eligible public health and safety employees at the department of state police.

5 (2) All applicable guidance, implementation, and reporting provisions of Public Law
6 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
7 subsection (1).

8 (3) The state budget director shall notify the senate and house appropriations
9 committees not later than 10 business days after making any reallocations under subsection
10 (1). The notification must include the authorized program under which funds were originally
11 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
12 department to which the funds are being reallocated under subsection (1), and the amount
13 reallocated to each program or purpose.

14

15 **OFFICE OF EDUCATION PARTNERSHIPS**

16 Sec. 14-401. From the funds appropriated in part 1 for family and community
17 engagement, the department shall, at a minimum, do all of the following:

18 (a) Establish or partner with family engagement centers across this state to increase
19 parent and guardian involvement in their child's education.

20 (b) Ensure translation and interpretation services are available and implemented
21 pursuant to department guidance.

22 (c) Partner with intermediate school districts to assist in getting information and
23 resources to their constituent districts.

24 (d) Develop an early literacy engagement plan to help parents or guardians become
25 involved in their child's education.

26

27 **OFFICE OF HIGHER EDUCATION**

28 Sec. 14-701. (1) From the funds appropriated in part 1, in addition to other
29 statutorily required duties, the department shall do all of the following:

30 (a) Review and evaluate all state financial aid programs. The department shall
31 prioritize improving postsecondary educational outcomes, including student completion
32 rates, and improving affordability of postsecondary programs in this state.

1 (b) Serve as the coordinating office for all agencies of the executive branch of
2 government that are responsible for financial aid programs administered by this state.

3 (c) Survey stakeholders, including public, tribal, and private not-for-profit
4 colleges and universities, state departments and agencies, and statewide postsecondary
5 education associations on student financial aid policy to improve this state's
6 administration of programs.

7 (d) Collaborate with the center for educational performance and information and
8 individual colleges and universities to ensure streamlined and coordinated collection of
9 data analyzing the following:

10 (i) Postsecondary education costs, including a comparison to national and regional
11 averages.

12 (ii) Student enrollment.

13 (iii) Degree completion.

14 (e) Provide access to higher education institutional data inventory on an accessible,
15 public facing dashboard to assist students, prospective students, and their families in
16 making decisions on postsecondary education.

17 (f) Coordinate with other state agencies and school districts to increase utilization
18 and awareness of postsecondary opportunities, including, but not limited to, early and
19 middle college, dual enrollment, and private skills training scholarships.

20 (g) Promote, track, and provide resources to increase completion of the free
21 application for federal student aid.

22 (2) From the funds appropriated in part 1, the department shall meet, at a minimum,
23 the following transparency requirements:

24 (a) Collect data necessary to complete all statutory reporting requirements. The
25 department shall notify the chairs of the house and senate appropriations committees within
26 10 days if an entity receiving funds from part 1 fails to comply with data collection
27 requirements.

28 (b) Maintain a link on the department's website to find data submitted by
29 postsecondary institutions through higher education institutional data inventory.

30 (c) Maintain a link on the department's website to the center for educational
31 performance and information's MI School Data page on postsecondary enrollment and
32 completion tracking.

1 (3) As used in this section, "center for educational performance and information"
2 means the center for educational performance and information created in section 94a of the
3 state school aid act of 1979, 1979 PA 94, MCL 388.1694a.

4

5 **OFFICE OF EARLY CHILDHOOD EDUCATION**

6 Sec. 14-1002. (1) From the funds appropriated in part 1, the department shall ensure
7 that the final child development and care provider reimbursement rates are published on the
8 department and Great Start to Quality webpages.

9 (2) In addition to the funds appropriated in part 1, upon receiving approval from the
10 state budget director, the department may receive and expend federal child care development
11 block grant funds that are at risk of lapsing back to the federal government. The
12 department may do this only if all of the following criteria are met:

13 (a) The funds are at risk of lapsing back to the federal government by the end of the
14 current fiscal year.

15 (b) The department plans to expend the funds through a 1-time rate increase to
16 providers.

17 (c) The department makes the request to receive and expend the grant funds to the
18 state budget director not less than 30 days before the expenditure of the funds.

19 (3) If the average cases over a 3-month period in the child development and care
20 program result in the current projected fiscal year caseloads falling below the caseload
21 agreement from the May consensus revenue estimating conference, the department may increase
22 the hourly reimbursement rate to child care providers if the following conditions are met:

23 (a) The level of expenditures for the remainder of the year is estimated to be
24 significantly below the level estimated from the May consensus revenue estimating
25 conference.

26 (b) The department plans to expend the funds through an ongoing rate increase to
27 providers for the remainder of the fiscal year.

28 (c) The department makes this request to the state budget director not less than 30
29 days before the expenditure of the funds that includes the rate increase.

30 (4) Upon receiving approval from the state budget director under subsection (2) or
31 (3), the department must notify the senate and house fiscal agencies of the amount being
32 appropriated, the estimated rate increase to providers, and if the rate increase to

1 providers is 1-time or ongoing in nature.

2 (5) The department may withdraw the intent to expend the funds under subsection (2)
3 or (3) by notifying the state budget director in writing.

4 Sec. 14-1003. (1) From the funds appropriated in part 1 for child development and
5 care contracted services, the department shall create a report on all funding appropriated
6 to contracts for the early childhood comprehensive systems planning by this state during
7 the previous fiscal year. The report required under this section is due by April 1 and must
8 contain at least all of the following information:

9 (a) Total funding appropriated to contracts for the early childhood comprehensive
10 systems planning by this state during the previous fiscal year.

11 (b) The amount of funding for each grant awarded.

12 (c) The grant recipients.

13 (d) The activities funded by each grant.

14 (e) An analysis of each grant recipient's success in addressing the development of a
15 comprehensive system of early childhood services and supports.

16 (2) All department contracts for early childhood comprehensive systems planning must
17 be bid out through a statewide request-for-proposal process.

18 Sec. 14-1007. (1) From the funds appropriated in part 1 for child development and
19 care - external support, child development and care contracted services, and child care
20 licensing and regulation, the department shall create a joint report that includes, but is
21 not limited to, the following:

22 (a) The affordability of child care in this state, including, but not limited to, the
23 number of children eligible for and participating in the child development and care
24 program, the number of children eligible for and participating in the child development and
25 care program for the last 5 years, and key takeaways from the most recent market rate
26 survey.

27 (b) The availability of child care in this state by county, including, but not
28 limited to, the number of licensed child care providers, the change in the number of
29 licensed child care providers and slots over time, and the estimated demand for care.

30 (c) The health and safety of child care, including, but not limited to, the 10 most
31 common rule violations, the number of licenses revoked and summarily suspended, and the
32 number of license violations for incomplete health and safety training and safe sleep

1 training.

2 (d) Any actions taken to strengthen health and safety of care, including, but not
3 limited to, the number of licensing consultants, their average caseload, the number of on-
4 site visits they complete by provider type and region, the types of activities that are
5 intended to improve health and safety in licensed care, and the number of times those
6 activities are performed by licensing consultants.

7 (e) Information on the child care licensing process, including, but not limited to,
8 all of the following:

9 (i) The number of initial applications, initial applications denied, license
10 renewals, and licenses allowed to expire, aggregated by license type.

11 (ii) The average amount of time to approve or deny completed applications and a
12 description of the most common reasons applications are denied.

13 (iii) A description of the types of complaints received, a description of the process
14 used to resolve complaints, the average amount of time to complete investigations, and the
15 percentage of investigations completed on time.

16 (iv) The number of complaints received, investigated, determined to be
17 unsubstantiated, and that result in disciplinary action or rule violations.

18 (v) The number of administrative hearing adjudications.

19 (f) The quality of child care, including, but not limited to, the number of licensed
20 providers participating in the Great Start to Quality program and the workforce registry,
21 the number of new participants and how participation has changed over the last 5 years, and
22 the number of children participating in the child development and care program enrolled in
23 an enhancing quality level or higher program.

24 (g) Any actions taken to improve child care quality, including, but not limited to,
25 the number of quality consultants, the average caseload, the number of on-site visits
26 completed by region, the types of activities that are intended to improve quality and the
27 number of times those activities are performed, and the number of providers that have
28 improved the provider's quality rating since the start of the current fiscal year compared
29 to the same time period in the preceding fiscal year, reported as the number of providers
30 in each region.

31 (h) The child care workforce, including, but not limited to, the number of child care
32 professionals, average wages by role, the number of individuals participating in the TEACH

1 scholarship and earning a credential, and the level of demand for staff.

2 (2) The department must post the joint report on the department website and send the
3 joint report to the state budget director, the house and senate subcommittees that oversee
4 the department budget, and the house and senate fiscal agencies by April 1 of the current
5 fiscal year reflecting data for the previous fiscal year.

6 Sec. 14-1008. From the funds appropriated in part 1 for office of early childhood
7 education, the department shall ensure efficient service provision to coordinate services
8 provided to families for home visits, reduce duplication of state services and spending,
9 increase efficiencies including the home visits funded under section 32p of the state
10 school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

11 Sec. 14-1009. From the funds appropriated in part 1 for child development and care
12 public assistance, the income entrance eligibility threshold for the child development and
13 care program is set to not more than 200% of the federal poverty guidelines.

14 Sec. 14-1011. From the funds appropriated in part 1 for child development and care
15 public assistance, for eligible children in the child development and care program, the
16 department shall implement payments to providers based on enrollment rather than based on
17 attendance. This shall be done in a manner determined by the department.

18 Sec. 14-1012. From the funds appropriated in part 1 for child development and care
19 contracted services, \$1,500,000.00 must be for the department to work in collaboration with
20 DHHS to continue the network of infant and early childhood mental health consultation,
21 which provides mental health consultation to child care providers.

22 Sec. 14-1025. (1) Private revenues received by the department are appropriated upon
23 receipt and are available for expenditure by the department as permitted under state and
24 federal law.

25 (2) Not later than 10 days after the receipt of a private revenues appropriated in
26 subsection (1), the department shall notify the standard report recipients of the receipt
27 of the funds, including source, purpose, and amount.

28 (3) The amount appropriated under subsection (1) must not exceed \$3,000,000.00.

29 Sec. 14-1030. (1) The funds appropriated in part 1 for the tri-share child care
30 program must be awarded for the continuation of the child care facilitator program
31 originally initiated and funded as a pilot project in section 1047(31) of article 5 of 2020
32 PA 166, and as continued and modified in successive appropriations.

1 (2) The department shall establish and support tri-share regional facilitator hubs
2 and statewide services.

3 (3) The department must create benchmarks for regional facilitator hubs receiving
4 appropriated funding.

5 (4) Any child care facilitator receiving funds under this section must be a
6 nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

7 (5) Child care facilitator hubs may use funds to enroll in the tri-share child care
8 program families living in Wisconsin but who have a parent or caregiver who are employed in
9 Michigan. A child care provider providing care for a family described in this subsection
10 must be licensed in Michigan.

11 (6) The department shall award funds to ensure employer recruitment by regional
12 facilitator hubs and statewide program administration. In addition, the department may
13 provide quarterly advances for timely provider payments. Upon conclusion of the program or
14 upon termination of any grant agreement, any unspent award funds held by any program
15 partner shall either be spent down toward the state's share of child care payments or
16 returned to the state at the discretion of the department.

17 (7) The department shall innovate program and administration options to attract
18 Michigan employer program participation.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	967.0		967.0
5	GROSS APPROPRIATION	\$ 263,938,000	\$	263,938,000
6	Total interdepartmental grants and intradepartmental			
7	transfers	101,800		101,800
8	ADJUSTED GROSS APPROPRIATION	\$ 263,836,200	\$	263,836,200
9	Total federal revenues	154,412,200		154,412,200
10	Total local revenues	0		0
11	Total private revenues	100,000		100,000
12	Total other state restricted revenues	12,973,100		12,973,100
13	State general fund/general purpose	\$ 96,350,900	\$	96,350,900
14	<i>State general fund/general purpose schedule:</i>			
15	<i>Ongoing state general fund/general purpose</i>	<i>96,350,900</i>		<i>96,350,900</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</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.....	422.5		422.5
20	Unclassified salaries-9.0 FTE positions	\$ 1,934,400	\$	1,934,400
21	Headquarters and armories-103.0 FTE positions	24,312,800		24,312,800
22	Michigan National Guard member benefit fund-11.5 FTE			
23	positions	11,278,600		11,278,600
24	Michigan youth challenge academy-68.0 FTE positions ..	10,974,700		10,974,700
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	47,066,500		47,066,500
29	National guard operations	600,500		600,500
30	Starbase grant	<u>2,322,000</u>		<u>2,322,000</u>
31	GROSS APPROPRIATION	\$ 101,225,100	\$	101,225,100

32 Appropriated from:

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Interdepartmental grant revenues:	
2	IDG from department of state police	101,800 101,800
3	Federal revenues:	
4	Other federal revenues	66,708,700 66,708,700
5	Special revenue funds:	
6	Private revenues	90,000 90,000
7	Other state restricted revenues	1,916,200 1,916,200
8	State general fund/general purpose	\$ 32,408,400 \$ 32,408,400
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	8,491,000 8,491,000
14	Veterans' trust fund administration-8.0 FTE positions	1,197,000 1,197,000
15	Veterans' trust fund grants	2,500,000 2,500,000
16	Veterans service grants-2.0 FTE positions	<u>4,255,500</u> <u>4,255,500</u>
17	GROSS APPROPRIATION	\$ 20,699,000 \$ 20,699,000
18	Appropriated from:	
19	Federal revenues:	
20	Other federal revenues	758,800 758,800
21	Special revenue funds:	
22	Private revenues	10,000 10,000
23	Other state restricted revenues	3,747,000 3,747,000
24	State general fund/general purpose	\$ 16,183,200 \$ 16,183,200
25	Sec. 15-104. MICHIGAN VETERANS' FACILITY AUTHORITY	
26	Full-time equated classified positions.....	483.5 483.5
27	Chesterfield Township home for veterans-110.0	
28	FTE positions	\$ 34,948,800 \$ 34,948,800
29	D.J. Jacobetti home for veterans-179.0 FTE positions .	26,759,200 26,759,200
30	Grand Rapids home for veterans-176.0 FTE positions ...	40,244,700 40,244,700
31	Information technology services and projects	1,749,600 1,749,600
32	Michigan veteran homes administration-18.0 FTE	

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 positions	4,972,000	4,972,000
2 Veterans cemetery-0.5 FTE position	<u>134,500</u>	<u>134,500</u>
3 GROSS APPROPRIATION	\$ 108,808,800	\$ 108,808,800
4 Appropriated from:		
5 Federal revenues:		
6 Other federal revenues	56,780,400	56,780,400
7 Special revenue funds:		
8 Other state restricted revenues	6,309,900	6,309,900
9 State general fund/general purpose	\$ 45,718,500	\$ 45,718,500
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>\$ 705,100</u>	<u>\$ 705,100</u>
24 GROSS APPROPRIATION	\$ 705,100	\$ 705,100
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	164,300	164,300
28 Special revenue funds:		
29 State general fund/general purpose	\$ 540,800	\$ 540,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$109,324,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$4,088,000.00. 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.....		<u>4,041,500</u>
TOTAL	\$	4,088,000

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 part and part 1:

- (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 position in the classified service of this state.
- (f) "IDG" means interdepartmental grant.
- (g) "MVAA" means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013-2, MCL 32.92.
- (h) "MVFA" means the Michigan veterans' facility authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.
- (i) "MVH" means the Michigan veteran homes as that term is defined in the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.
- (j) "MYCA" means the Michigan youth challenge academy.
- (k) "Standard report recipients" means the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal agencies, the senate
2 and house policy offices, and the state budget office.

3 (l) "USDVA" means the United States Department of Veterans Affairs.

4 (m) "VSO" means veterans service organization.

5 (n) "Veterans' facility" means that term as defined in section 2 of the Michigan
6 veterans' facility authority act, 2016 PA 560, MCL 36.102.

7 Sec. 15-204. A department or agency shall use the internet to fulfill the reporting
8 requirements of this part and shall make each report readily accessible to the public and
9 conspicuously post each required report in a single archivable location on the department's
10 or agency's Michigan.gov website not later than the due date required for each report. In
11 addition to placing all reports required in the current fiscal year on the department's or
12 agency's website, the department or agency shall maintain on its website all reports placed
13 on the website from previous fiscal years posted by fiscal year in the same single
14 archivable location. The department or agency shall also transmit all required reports for
15 the current fiscal year to the standard recipients and any other required recipients by
16 email.

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. 15-206. (1) The department shall maximize utilization of its in-person state
29 workforce. The department shall prioritize occupancy utilization of office space for each
30 division within the department. Employees with job responsibilities that require the
31 employees to serve in their capacities outside of an office shall be monitored each pay
32 period to ensure all work hours reported on the timesheet were actually worked.

1 (2) The department shall comply with requirements set forth by the office of the
2 state employer on in-person work and utilization and occupancy rates of state buildings to
3 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
4 market conditions.

5 (3) The department shall adhere to civil service rules and regulations that state the
6 standard biweekly work period for a full-time employee in the classified service of this
7 state is the equivalent of 80.0 hours of work. The department shall establish policies and
8 processes to ensure all employees are working their jobs during agreed upon business hours.

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

17 (a) The dates of each travel occurrence.

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

21 Sec. 15-208. Not later than 6 months after the state budget office issues work
22 project letters, a department, agency and the legislature shall submit an annual report
23 that summarizes all work project accounts. The report must include all of the following:

24 (a) A list of all work project accounts.

25 (b) The status of all work project accounts, including amounts expended, amounts
26 encumbered, and available balances for each account.

27 (c) The amount of funds that lapsed from any previously designated work project
28 accounts, the name and description of the work project account, and the funds that received
29 the lapsed amounts.

30 Sec. 15-209. Not later than December 15, the state budget office shall prepare and
31 submit a report that provides for estimates of the total general fund/general purpose
32 appropriation lapses at the close of the previous fiscal year. The report must summarize

1 the projected year-end general fund/general purpose appropriation lapses by major
2 departmental program or program areas. The state budget office shall submit the report to
3 the standard report recipients and the chairpersons of the senate and house appropriations
4 committees.

5 Sec. 15-210. (1) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$8,600,000.00 for federal contingency funds. These
7 funds are not available for expenditure until they have been transferred to another line
8 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

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

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

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

22 Sec. 15-211. A department or agency shall cooperate with the department of
23 technology, management and budget to maintain a searchable website accessible by the public
24 at no cost that includes, but is not limited to, all of the following for each department
25 or agency:

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

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

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

30 Sec. 15-212. (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 Sec. 15-213. To the extent permissible under the management and budget act, 1984 PA
3 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
4 appropriations in part 1 shall take all reasonable steps to ensure geographically
5 disadvantaged business enterprises compete for and perform contracts to provide services or
6 supplies, or both. Each director shall strongly encourage firms with which the department
7 or agency contracts to subcontract with certified geographically disadvantaged business
8 enterprises for services, supplies, or both. As used in this section, "geographically
9 disadvantaged business enterprises" means that term as defined in Executive Directive No.
10 2023-1.

11 Sec. 15-214. The department must provide an annual report to the standard report
12 recipients detailing significant federal policy changes that do, or are expected to
13 significantly impact the operations of the department, including reductions in federal
14 revenue and/or changes that are likely to lead to a reduction in the department's ability
15 to safeguard the health or welfare of the public.

16 Sec. 15-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
17 agencies shall provide to the state budget office a jointly agreed upon list of
18 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
19 of 2025. The list must include all information and documents pertaining to the funded items
20 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

21 (2) In accordance with section 364(4) of the Management and Budget Act, the
22 department or agency administering the grant shall post a report in a publicly accessible
23 location on its website beginning March 15 of the current fiscal year. The department or
24 agency shall update the report and shall post an updated report not later than June 15 of
25 the current fiscal year and again not later than September 15 of the current fiscal year.
26 The department shall include in the report the most comprehensive information the
27 department has available at the time of posting for grants awarded.

28 Sec. 15-216. 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. 15-217. The state budget director shall take steps to ensure that all state
3 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
4 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
5 recovery funds that would otherwise lapse after September 30, 2026, are automatically
6 reappropriated for the same purpose as originally authorized and available for expenditure
7 through December 31, 2026, and any subsequent financial close out period.

8 Sec. 15-218. (1) The state budget director shall take steps to ensure that all state
9 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
10 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
11 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
12 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
13 that may include, but are not limited to, completed projects coming in under budget or
14 funds unable to be fully used by subrecipients. The state budget director shall reallocate
15 any of the funds reallocated under this subsection to the programs or purposes specified in
16 this section. Any funds reallocated are unappropriated and immediately reappropriated for
17 the following purposes:

18 (a) To reclassify general fund/general purpose appropriations for payroll and covered
19 benefits for eligible public health and safety employees at the department of corrections.

20 (b) To reclassify general fund/general purpose appropriations for payroll and covered
21 benefits for eligible public health and safety employees at the department of state police.

22 (2) All applicable guidance, implementation, and reporting provisions of Public Law
23 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
24 subsection (1).

25 (3) The state budget director shall notify the senate and house appropriations
26 committees not later than 10 business days after making any reallocations under subsection
27 (1). The notification must include the authorized program under which funds were originally
28 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
29 department to which the funds are being reallocated under subsection (1), and the amount
30 reallocated to each program or purpose.

31 Sec. 15-223. Funds appropriated in part 1 for capital outlay must be carried forward
32 at the end of the fiscal year consistent with section 248 of the management and budget act,

1 1984 PA 431, MCL 18.1248.

2 Sec. 15-224. (1) Money privately donated to the department in excess of the
3 appropriation in part 1 is appropriated and available for expenditure departmental
4 operations and for the purpose designated by the private source, if specified.

5 (2) Any unexpended and unencumbered private donations to support the department at
6 the close of this fiscal year do not lapse to the general fund and must be carried forward
7 to the subsequent fiscal year.

8

9 **MILITARY**

10 Sec. 15-301. (1) Not later than October 30, the department shall report a list of the
11 current unclassified positions, which shall include the official titles and
12 responsibilities of each position.

13 Sec. 15-302. (1) The department shall operate and maintain National Guard armories
14 and implement a system to measure the condition and adequacy of those armories.

15 (2) Not later than January 15, the department shall report on the status of the
16 armories that includes the following information:

17 (a) An assessment of the grounds and facilities of each armory to objectively measure
18 and determine the current facility condition and capability to support authorized manpower,
19 unit training, and operations.

20 (b) Recommendations for the placement of new armories, the relocation or
21 consolidation of existing armories, or a change in the mission of units assigned to
22 armories to ideally position the National Guard in current or projected population centers.

23 (c) Recommendations for the enhanced use of armories to facilitate family support
24 programs during deployments.

25 (d) An analysis of the feasibility, potential costs, and benefits of use of armories
26 shared with other local, state, or federal agencies to improve responses to local
27 emergencies as well as the community support provided to armories.

28 (e) An investment strategy and proposed funding amounts in a prioritized project list
29 to correct the most critical facility shortfalls across the inventory of armories in this
30 state.

31 (f) A review of the status of construction activities and expenditures of the armory
32 modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of

1 2022 PA 194.

2 Sec. 15-303. (1) The department shall maintain the MYCA to provide values, skills,
3 education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

4 (2) The department shall take steps to recruit candidates to the MYCA from
5 economically disadvantaged areas, including those with low-income and high-unemployment
6 backgrounds.

7 (3) The department shall partner with the DHHS to identify youth who may be eligible
8 for MYCA from those youth served by DHHS services programs. The department shall give these
9 eligible youth priority for enrollment.

10 (4) The department shall maintain the MYCA to graduate at least the target number of
11 graduates consistent with the state's cooperative agreement with the National Guard Bureau
12 regarding program operations.

13 (5) The department shall monitor individual academic success as measured by the
14 number of individuals who have received a general equivalency diploma, high school diploma,
15 or high school credit recovery or by the improvement of tests of adult basic education
16 scores, or both.

17 Sec. 15-304. (1) Not later than January 15, the department shall provide a report on
18 the revenues, expenditures, and fund balance of the military family relief fund created in
19 section 3 of the military family relief fund act, 2004 PA 363, MCL. 35.1213. The report
20 shall itemize expenditures by purpose, including, but not limited to, for advertising and
21 assistance and include information on the number of applications for assistance received,
22 approved, and denied for the previous fiscal year.

23 (2) From the funds appropriated in part 1, the department shall provide outreach to
24 the Michigan families of members of the reserve component of the Armed Forces of the United
25 States called into active duty on the availability of assistance through the military
26 family relief fund.

27 Sec. 15-305. (1) The department shall do all of the following:

28 (a) Provide Army and Air National Guard forces, when directed, for state and local
29 emergencies and in support of national military requirements.

30 (b) Operate and maintain Army National Guard training facilities, including Fort
31 Custer and Camp Grayling.

32 (c) Maintain a system that measures the condition and adequacy of air facilities

1 using both quality and functionality criteria.

2 (d) Operate and maintain Air National Guard air bases, including Selfridge Air
3 National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness
4 training center.

5 (2) Not later than March 1, the department shall report the following information for
6 the previous calendar year:

7 (a) The apportioned and assigned strength of the Michigan Army National Guard.

8 (b) The apportioned and assigned strength of the Michigan Air National Guard.

9 (c) Recruiting, retention, and attrition data, including measurement against stated
10 performance goals, for the Michigan Army National Guard.

11 (d) Recruiting, retention, and attrition data, including measurement against stated
12 performance goals, for the Michigan Air National Guard.

13 Sec. 15-306. (1) The billeting 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 credit interest and earnings from the investments to the fund.

17 (3) All of the fees and other revenues generated from the operation of the chargeable
18 transient quarters program must be deposited in the fund.

19 (4) Money in the fund at the close of the fiscal year remains in the fund and does
20 not lapse to the general fund.

21 (5) The department is the administrator of the fund for auditing purposes.

22 (6) The department shall expend money from the fund to support program operations and
23 the maintenance and operations of the chargeable transient quarters program as appropriated
24 in part 1.

25 (7) Not later than January 15, the department shall submit a report of operations and
26 expenditures regarding the fund for the previous fiscal year.

27 Sec. 15-307. (1) From the funds appropriated in part 1 for Michigan National Guard
28 member benefit fund, the department shall maintain a Michigan National Guard tuition
29 assistance program as provided under the Michigan National Guard tuition assistance act,
30 2014 PA 259, MCL 32.431 to 32.434. The Michigan National Guard tuition assistance program
31 must do all of the following:

32 (a) Bolster military readiness by increasing recruitment and retention of Michigan

1 Army and Air National Guard members.

2 (b) Fill federally authorized strength levels for the state.

3 (c) Improve the Michigan Army and Air National Guard's competitive draw from other
4 military enlistment options in the state.

5 (d) Enhance the ability of the Michigan Army and Air National Guard to compete for
6 guard members and federal dollars with surrounding states.

7 (e) Increase the pool of eligible candidates within the Michigan Army and Air
8 National Guard to become commissioned officers.

9 (2) The department shall make efforts to increase the number of National Guard
10 members who have received a credential or are still enrolled in the Michigan National Guard
11 tuition assistance program after their initial term of enlistment. To evaluate the
12 effectiveness of the program, the department shall monitor the number of new recruits and
13 new reenlistments and the percentage of those who become participants in the program to
14 determine whether the percentage of authorized Michigan Army and Air National Guard
15 strength obtained and retained is competitive in comparison with the neighboring army and
16 air national guards from Illinois, Indiana, Ohio, and Wisconsin.

17 (3) Not later than March 1, the department shall provide a report on the Michigan
18 National Guard tuition assistance program. The report must include, but is not limited to,
19 the following information for the previous fiscal year:

20 (a) The number of guard members, spouses, children, and dependents that received
21 tuition assistance, broken down by the number of each type of recipient.

22 (b) The educational institutions from which those guard members, spouses, children,
23 and dependents received education or training under the program, broken down by the number
24 of each type of recipient and each type of educational or training program for which
25 tuition assistance was received.

26 (c) The total amount of financial assistance received by each educational
27 institution.

28 (d) The total funds expended on the program for financial assistance for each type of
29 recipient and each type of educational or training program.

30 (e) The total funds expended on the program for administrative costs of the
31 department.

32 (f) The total number of applications for tuition assistance approved and denied.

1 (g) The number of guard members, spouses, children, and dependents receiving tuition
2 assistance who successfully completed an educational or training program for which tuition
3 assistance was received.

4 (h) A description of each educational or training program offered through the
5 Michigan National Guard tuition assistance program.

6 (i) A list of any educational institutions and training programs removed from
7 eligibility and the rationale for that removal.

8 (j) An explanation of any identified barriers to the successful utilization of the
9 program, or other unmet needs of the program and applicable proposals for legislative
10 action to address those barriers and needs.

11 Sec. 15-308. The department shall maintain the starbase program at Air National Guard
12 facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest
13 of students, primarily in the fifth grade, in math, science, and technology. The starbase
14 program is to specifically target minority and at-risk students for participation.

15 Sec. 15-309. (1) The National Guard test projects fund is created within the state
16 treasury.

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

20 (3) All of the fees and other revenues generated from the operation of the test
21 projects program shall be deposited in the fund.

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

24 (5) The department is the administrator of the fund for auditing purposes.

25 (6) Money in the fund shall be available for expenditure for the support of program
26 operations as appropriated in part 1.

27 Sec. 15-310. (1) The morale, welfare, and recreation fund is created within the state
28 treasury.

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

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

1 (4) All of the fees and other revenues generated from the operation of the morale,
2 welfare, and recreation program must be deposited in the morale, welfare, and recreation
3 fund. Money in the fund is available for expenditure for the support of program operations
4 as appropriated in part 1.

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

7 Sec. 15-311. (1) The National Guard facilities rental fund is created in the state
8 treasury.

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

12 (3) All of the fees and other revenues generated from the operation of the National
13 Guard facilities rental program must be deposited in the fund.

14 (4) Money in the fund at the close of the fiscal year remains in the fund and does
15 not lapse to the general fund.

16 (5) The department is the administrator of the fund for auditing purposes.

17 (6) Money in the fund is available for expenditure for the support of program
18 operations as appropriated in part 1.

19 Sec. 15-312. Not later than February 1, the department shall provide the report
20 required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

21 Sec. 15-313. The Michigan Army National Guard and Air National Guard shall work to
22 provide a culture that is free of sexual assault, through an environment of prevention,
23 education and training, response capability, victim support, reporting procedures, and
24 appropriate accountability that enhances the safety and well-being of all guard members.

25 Sec. 15-314. (1) From the funds appropriated in part 1 for Michigan National Guard
26 member benefit fund, the department shall create and administer a Tricare premium
27 reimbursement program, as provided under the Tricare premium reimbursement program act,
28 2025 PA 36, MCL 32.471 to 32.475.

29 (2) Not later than March 1, the department shall provide a report on the Tricare
30 reimbursement program. The report must include, but is not limited to, the following
31 information:

32 (a) The number of eligible members receiving assistance under the program, broken

1 down by service branch and including the amount of the assistance issued, and the total
2 number of National Guard members by service branch.

3 (b) The total funds expended on Tricare reimbursements.

4 (c) The total funds expended on the program for administrative costs of the
5 department.

6 (d) Any other pertinent information, as determined by the department, on the
7 program's operations and administration.

8 Sec. 15-315. (1) From the funds appropriated in part 1 for Michigan National Guard
9 member benefit fund, the department shall create and administer a child care assistance
10 program as provided under the Michigan National Guard child care assistance act, 2025 PA
11 37, MCL 32.451 to 32.455.

12 (2) Not later than March 1, the department shall provide a report on the child care
13 assistance program. The report must include, but is not limited to, the following
14 information:

15 (a) The number of eligible members receiving child care assistance under the program,
16 broken down by service branch and including the amount of the stipend issued, and the total
17 number of National Guard members by service branch.

18 (b) The number of children for whom a stipend was paid and the associated number of
19 hours paid broken down by service branch.

20 (c) The hourly rate paid.

21 (d) The total funds expended on the program for child care stipends.

22 (e) The total funds expended on the program for administrative costs of the
23 department.

24 (f) Any other pertinent information, as determined by the department, on the
25 program's operations and administration.

26 Sec. 15-316. (1) The general fund/general purpose funds appropriated in part 1 for
27 the Michigan National Guard member benefit fund must be deposited into the restricted
28 Michigan National Guard member benefit fund. All funds in the restricted Michigan National
29 Guard member benefit fund are appropriated and available for expenditure to support the
30 Michigan National Guard's tuition assistance program, Tricare premium reimbursement
31 program, and childcare assistance program.

32 (2) As used in this section, "Michigan National Guard member benefit fund" means the

1 Michigan National Guard member benefit fund created in section 3 of the Michigan National
2 Guard member benefit fund act, 2025 PA 31, MCL 32.493.

3

4 **MICHIGAN VETERANS AFFAIRS AGENCY**

5 Sec. 15-405. Not later than January 15, the MVAA shall provide a report of the
6 Michigan veterans' trust fund that includes, for the previous fiscal year, the following
7 information:

8 (a) A description of the methodology of allocations and the selection of emergency
9 grant program authorized agents.

10 (b) A description of how the emergency grant program is administered in each county.

11 (c) Expenditures for state operating costs and administrative costs.

12 (d) The number of approved emergency grant applications, by category of assistance,
13 and the number of denied applications, by reason of denial.

14 (e) A description of the MVAA's efforts to reduce program administrative costs and
15 maintain the Michigan veterans' trust fund corpus at or above its original amount of
16 \$50,000,000.00.

17 (f) The financial status of the Michigan veterans' trust fund, including revenues,
18 beginning and year-end balances, and a breakdown of expenditures for state and local
19 administrative purposes, grants, and other program partnerships and initiatives, including
20 details by county and organization.

21 (g) Expenditures for program partnerships, delineated by organization, and
22 expenditures for any other program initiatives.

23 Sec. 15-406. The MVAA shall do all of the following:

24 (a) Provide outreach services to Michigan veterans to advise them on the benefits and
25 assistance to which they are entitled, or eligible, including the Michigan military family
26 relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial
27 benefits.

28 (b) Fulfill requests for military discharge certificates (DD-214) upon request.

29 (c) Not later than March 1, submit a report on the activities and outcomes of its
30 outreach services, included the percentage of Michigan veterans contacted through its
31 outreach programs.

32 Sec. 15-408. From the funds appropriated in part 1, the MVAA shall provide for the

1 regional coordination of services and do all of the following:

2 (a) Coordinate with veteran benefit counselors throughout a specified region.

3 (b) Coordinate services with all state departments and agencies.

4 (c) Coordinate with regional workforce and economic development agencies.

5 (d) Coordinate activities among local foundations, nonprofit organizations, and
6 community groups to improve accessibility, enrollment, and utilization of the array of
7 health care, education, employment assistance, and quality of life services provided at the
8 local level.

9 (e) Work with MVAA service officers, county veteran counselors, VSO service officers,
10 and other service providers to increase awareness of available mental health care resources
11 and support services veterans may be eligible to receive.

12 (f) Coordinate with the DHHS to identify Medicaid recipients who are veterans and who
13 may be eligible for federal veterans health care benefits or other benefits, to the extent
14 that the identification does not violate applicable confidentiality requirements.

15 (g) Collaborate with the department of corrections to create and maintain a process
16 by which prisoners can obtain a copy of their DD-214 form or other military discharge
17 documentation if necessary.

18 (h) Ensure that all MVAA service officers and VSO service officers receive
19 appropriate training in processing applications for benefits payable to veterans due to
20 military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance use
21 disorder, or other mental health issues.

22 Sec. 15-410. (1) The MVAA shall do the following:

23 (a) Provide claims processing services to Michigan veterans in support of benefit
24 claims submitted to the USDVA for the health, financial, and memorial benefits for which
25 they are eligible, and report annually on the number of benefit claims, by type, submitted
26 to the USDVA by MVAA.

27 (b) Develop and implement a process to ensure that all county veterans counselors
28 receive the training and accreditation necessary to provide quality services to veterans.
29 Not later than March 1 the MVAA shall provide a report for the previous fiscal that
30 includes the number and percentage of county veterans counselors trained by the MVAA, and
31 the number and percentage who received funding from the MVAA to attend training and a
32 description of the training provided.

1 (2) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend
2 up to \$100,000.00 to hire legal services to represent veterans benefit cases before federal
3 court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

4 Sec. 15-411. (1) The funds appropriated in part 1 for veterans service grants must be
5 deposited into the veterans service fund created in this part. All funds available in the
6 veterans service fund are appropriated and available for expenditure as provided under this
7 section.

8 (2) The MVAA shall establish, administer, and award competitive grants to 1 or more
9 congressionally chartered VSOs or a coalition of VSOs. The MVAA shall award grants to
10 support efforts to connect veterans and their dependents with federal compensation and
11 pension benefits and state veterans' benefits, including emergency grants through the
12 Michigan veterans' trust fund and other local or nonprofit assistance that may be available
13 to veterans and their dependents. The MVAA shall establish a competitive grant process that
14 satisfies the following:

15 (a) Utilizes a service provision model to provide services across the state and can
16 be tracked regionally to ensure that veterans and their dependents in this state, including
17 those within tribal communities, are provided with services, advocacy, and outreach as
18 close to the communities in which they live as possible.

19 (b) Ensures that grantees are providing adequate veteran services and advocacy,
20 through in-person and virtual meetings, that enables the organization to meet performance
21 goals established in the grant agreement.

22 (c) Fosters innovative and transformative approaches and techniques for the grantee
23 to use when providing services, advocacy, and outreach for veterans and their dependents.

24 (d) Requires grantees to use an MVAA-designated internet-based claims data system to
25 manage caseloads. License fees associated with the claims data system described in this
26 subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

27 (e) Requires grantees, in coordination with the MVAA, to provide services to
28 incarcerated veterans who are within 1 year of their earliest release date.

29 (f) Ensures that each grantee is issued performance goals.

30 (g) Ensures that each grantee expends grant awards as prescribed in the grant
31 agreement.

32 (h) Requires each grantee to report not less than quarterly on all of the following:

- 1 (i) An accounting for all grant fund expenditures.
- 2 (ii) The number and type of claims originated and submitted by the grantee to the
3 USDVA.
- 4 (iii) The number and type of claims originated by an organization other than the
5 grantee and submitted by the grantee to the USDVA.
- 6 (iv) The services provided to veterans and their dependents.
- 7 (v) Progress in achieving performance benchmark goals.
- 8 (vi) Ensures that each grantee is issued performance benchmark goals that each
9 grantee must aim to achieve and require each grantee to report to the MVAA, in order to
10 ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal
11 year.
- 12 (3) The MVAA shall do the following regarding the veterans service grant program:
- 13 (a) Follow all generally accepted accounting principles in accordance with sections
14 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.
- 15 (b) When establishing, modifying, or amending the competitive grant process described
16 in subsection (1), consult and collaborate with congressionally chartered VSOs in the
17 state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to
18 providing services, advocacy, and outreach to veterans and their dependents.
- 19 (c) Provide notice to current grantees of any MVAA-proposed modifications or
20 amendments to the competitive grant process and provide those grantees with an opportunity
21 to respond through written communication.
- 22 (d) Assess the accuracy rate of claims reported by grantees.
- 23 (e) Review and audit grantees' expenditure of grant funds to ensure compliance with
24 the grant agreement, as provided under section 470 of the management and budget act, 1984
25 PA 431, MCL 18.1470.
- 26 (4) Not later than January 15, the MVAA shall provide a report summarizing grant
27 activities for the previous fiscal year, including the amount of expenditures, number of
28 service and advocacy hours, number of claims for benefits submitted by type of claim, and
29 other information deemed appropriate by the MVAA.
- 30 (5) From the funds appropriated in part 1 for veterans service grants, \$214,000.00
31 must be allocated to cover necessary administrative and implementation costs incurred by
32 the MVAA.

1 Sec. 15-412. (1) The veterans service fund is created in the state treasury.

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

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

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

8 (5) The department shall expend money in the fund, as provided by law.

9 Sec. 15-413. (1) The funds appropriated in part 1 for county veteran service grants
10 must be deposited into the restricted county veteran service fund created in section 3a of
11 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund
12 are appropriated and available for expenditure as provided by law.

13 (2) From the restricted county veteran service fund created in section 3a of 1953 PA
14 192, MCL 35.623a, \$214,000.00 must be allocated to the MVAA to cover necessary
15 administrative and implementation costs incurred by the MVAA.

16 (3) The MVAA shall provide a report not later than January 15 that includes the
17 following information for the previous fiscal year:

18 (a) A list of counties that received a grant under this section and details
19 concerning the methodology of allocations, including, but not limited to, all program
20 information distributed by the MVAA to counties and any applicable timelines and deadlines
21 imposed by the MVAA.

22 (b) The base, per capita, and total amounts of grant funding each county received
23 under section 3a(6) of 1953 PA 192, MCL 35.623a, including any amount of funding provided
24 under the emergent need relief program pursuant to section 3a(10) of 1953 PA 192, MCL
25 35.623a.

26 (c) A summary of each county's expenditures of grant funding.

27 (d) The amount of any unexpended grant funding disbursed to the counties that has
28 been recovered and returned to the county veteran service fund.

29 (e) The amount of any funds recovered by the MVAA through a funding that grant funds
30 were misused by a county.

31 (f) The amount expended by the MVAA for grant administration and implementation
32 costs.

1 (g) The balance of the county veteran service fund at the close of the fiscal year.

2 (4) The report required under subsection (3) must also include the following:

3 (a) A list of counties that have requested funds in the current fiscal year, the
4 amount requested by each county, and the total of these amounts.

5 (b) A list of counties that did not request funds in the current fiscal year.

6 (c) An explanation of any obstacles or reasons for counties not applying for or
7 spending their eligible amount of grant funding.

8 Sec. 15-415. Not later than January 15, the MVAA shall submit a report that includes
9 all of the following:

10 (a) An analysis on the scope of homelessness among the state's veteran population,
11 including the estimated number of homeless veterans, by county.

12 (b) Challenges to securing housing for homeless veterans.

13 (c) Recommendations for future long-term partnerships between the Michigan state
14 housing development authority, the MVAA, local government, and nonprofit organizations that
15 could assist in eliminating homelessness among veterans in this state. Recommendations
16 under this subdivision must minimize additional costs to local units of government.

17 (d) Activities of the MVAA in the previous fiscal year to support homeless veterans
18 or eliminate homelessness among veterans.

19
20 **MICHIGAN VETERANS' FACILITY AUTHORITY**

21 Sec. 15-502. (1) From the funds appropriated in part 1, the MVH and the MVFA shall
22 provide compassionate and quality nursing care services at each veterans' facility in this
23 state so that resident members can achieve their highest potential of wellness,
24 independence, self-worth, and dignity. The MVFA and the MVH shall provide nursing care
25 services to veterans in accordance with federal standards and report the results of the
26 annual USDVA and CMS surveys and certification as proof of compliance.

27 (2) Appropriations in part 1 for a veterans' facility shall not be used for any
28 purpose other than expenses related to the operations of the veterans' facility.

29 Sec. 15-503. All contractors providing health care services at a veterans' facility
30 shall provide services in a manner that complies with applicable USDVA and CMS regulations
31 for state veterans' homes and skilled nursing facilities, any rules governing the operation
32 of nursing homes licensed in this state, and any training and education requirements

1 associated with staff licensure or certification.

2 Sec. 15-504. (1) The MVFA shall report and investigate all complaints of abuse or
3 neglect at a veterans' facility in compliance with USDVA and CMS regulations for state
4 veterans' homes and skilled nursing facilities. The MVFA shall report on a bimonthly basis
5 the following information:

6 (a) A description of the process by which resident members and others may file
7 complaints of alleged abuse or neglect at a veterans' facility.

8 (b) Summary statistics on the number and general nature of complaints of abuse or
9 neglect.

10 (c) Summary statistics on the final disposition of complaints of abuse or neglect
11 received.

12 (2) The MVFA shall display in high-traffic areas throughout the veterans' facility
13 the process by which visitors, resident members, and staff of the veterans' facility may
14 register complaints.

15 Sec. 15-506. The MVH shall establish and implement internal controls regarding all of
16 the following:

17 (a) The use and management of food, maintenance, and pharmaceutical and medical
18 supply inventories.

19 (b) Calculating resident member maintenance assessments in order to accurately
20 calculate resident member maintenance assessments for each billing cycle and ensure that
21 all past due resident member maintenance assessments are addressed within 30 days.

22 (c) Monetary donations and donated goods.

23 (d) The handling of resident member funds to ensure the release of funds within 15
24 calendar days upon the resident member leaving the home and to ensure that a representative
25 of a resident member is provided a full accounting of that resident member's funds within
26 30 calendar days after the death of that resident member.

27 (e) Financial reporting and accounting.

28 Sec. 15-507. (1) The MVH shall post on its website the following:

29 (a) All policies adopted by the MVFA and the veterans' facility related to the
30 administrative operations of the veterans' facility.

31 (b) The agenda and minutes of public meetings of the MVFA board.

32 (2) The MVH shall provide a report that includes statistics and information that

1 demonstrates the performance of MVH compared to available state and national veterans'
2 homes or nursing homes.

3 (3) Not later than January 15, the MVH shall provide a report on the following:

4 (a) Census data for each veterans' facility, including information on level of care,
5 service era of its resident members, payer source, and average income and assessment rate.

6 (b) Per patient daily care hours provided by each veterans' facility, by level of
7 care.

8 (4) The MVH shall provide a bimonthly report on the financial status of each
9 veterans' facility and central MVFA/MVH administration. Information shall include, but not
10 be limited to, actual year-to-date and projected year-end revenues and expenditures, by
11 fund source.

12 (5) The MVH shall provide a report on the results of any annual or for-cause survey
13 conducted by any entity with oversight over the veterans' facility and any corresponding
14 corrective action plan. This information shall also be made available publicly through the
15 MVH website.

16 (6) In addition to the information required under section 12(1) of the Michigan
17 veterans' facility authority act, 2016 PA 560, MCL 36.112, not later than January 31, the
18 MVFA shall provide a report detailing the strategies and actions taken to maximize revenues
19 from non-general fund sources and cost savings strategies.

20 Sec. 15-508. In addition to the funds appropriated in part 1, private revenues held
21 by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are
22 appropriated to pay medical expenses, member assessments, and other expenses incurred by
23 that resident member. Any unexpended or unencumbered private revenues held on a
24 nonfiduciary basis by the MVH at the close of the fiscal year do not lapse to the general
25 fund and must be carried forward into the subsequent fiscal year.

26 Sec. 15-509. Not later than January 15, the MVFA shall provide a report on the
27 construction, operation, and finances of the new Marquette veterans home funded in article
28 14 of 2022 PA 166.

29 Sec. 15-510. Except as otherwise provided by law, any unexpended and unencumbered
30 federal revenues received by the MVFA do not lapse to the state general fund and must be
31 carried forward into the subsequent fiscal year.

32 Sec. 15-511. The department, with the approval of the state budget office, is

1 authorized to realign federal revenues sources of the MVFA. This realignment of federal
2 fund sourcing must not produce a gross increase or decrease in the total authorization for
3 the individual MVFA line-item appropriations. The department shall provide a quarterly
4 report to the standard report recipients on actions taken under this section.

5

6 **CAPITAL OUTLAY**

7 Sec. 15-601. (1) The department shall provide for the acquisition and disposition of
8 National Guard armories, facilities, and lands as provided under sections 368, 382, and
9 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

10 (2) The department shall provide a listing of property sales and acquisitions
11 annually.

12 Sec. 15-602. (1) The appropriations for armory maintenance and special maintenance -
13 National Guard must be expended in accordance with the requirements of sections 302 and 305
14 and must be expended according to the maintenance priorities of the department to repair
15 and modernize military training sites and support facilities, including armories.

16 (2) Not later than January 15, the department shall provide a report providing
17 information on the status, projected costs, and projected completion date of current and
18 planned special maintenance projects at the armories and other National Guard facilities
19 funded from capital outlay appropriations made in part 1 and in previous fiscal years.

20 Sec. 15-603. (1) The appropriations for special maintenance - veterans' facility must
21 be expended in accordance with the requirements of section 502 and must be expended
22 according to the maintenance priorities of the MVFA to repair and modernize the state's
23 veterans' facility, which may include physical plant expansions, renovations, or
24 enhancements, and other projects designed to enhance the quality of life and medical care
25 of resident members.

26 (2) Not later than January 15, the MVH shall provide a report providing information
27 on the status, projected costs, and projected completion date of current and planned
28 special maintenance projects at each veterans' facility funded from capital outlay
29 appropriations made in part 1 and in previous fiscal years.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	2,513.9	2,499.9
5	GROSS APPROPRIATION	\$ 606,716,900	\$ 605,280,700
6	Total interdepartmental grants and intradepartmental		
7	transfers	208,300	208,300
8	ADJUSTED GROSS APPROPRIATION	\$ 606,508,600	\$ 605,072,400
9	Total federal revenues	102,198,400	102,198,400
10	Total local revenues	0	0
11	Total private revenues	8,330,900	8,330,900
12	Total other state restricted revenues	432,856,300	432,856,300
13	State general fund/general purpose	\$ 63,123,000	\$ 61,686,800
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>61,686,800</i>	<i>61,686,800</i>
16	<i>One-time state general fund/general purpose</i>	<i>1,436,200</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.....	149.1	149.1
20	Unclassified salaries-6.0 FTE positions	\$ 1,023,100	\$ 1,023,100
21	Accounting service center	1,751,800	1,751,800
22	Executive direction-11.6 FTE positions	2,380,000	2,380,000
23	Finance and operations-112.5 FTE positions	20,060,100	20,060,100
24	Gifts and pass-through transactions	5,003,600	5,003,600
25	Legal services-4.0 FTE positions	725,700	725,700
26	Minerals management-17.0 FTE positions	3,006,800	3,006,800
27	Natural resources commission	77,100	77,100
28	Office of public lands-4.0 FTE positions	1,501,600	1,501,600
29	Property management	<u>3,611,400</u>	<u>3,611,400</u>
30	GROSS APPROPRIATION	\$ 39,141,200	\$ 39,141,200
31	Appropriated from:		
32	Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	IDG from other restricted funding	208,300	208,300
2	Federal revenues:		
3	Other federal revenues	836,900	836,900
4	Special revenue funds:		
5	Private revenues	5,003,600	5,003,600
6	Other state restricted revenues	29,737,200	29,737,200
7	State general fund/general purpose	\$ 3,355,200	\$ 3,355,200
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>5,997,200</u>	<u>5,997,200</u>
13	GROSS APPROPRIATION	\$ 8,901,700	\$ 8,901,700
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	\$ 5,997,200	\$ 5,997,200
19	Sec. 16-104. COMMUNICATION AND CUSTOMER SERVICES		
20	Full-time equated classified positions.....	144.3	144.3
21	Cultural resource management-5.5 FTE positions	\$ 1,037,700	\$ 1,037,700
22	Marketing and outreach-95.3 FTE positions	24,204,500	24,204,500
23	Michigan historical center-43.5 FTE positions	7,328,300	7,328,300
24	Michigan wildlife council	<u>2,803,400</u>	<u>2,803,400</u>
25	GROSS APPROPRIATION	\$ 35,373,900	\$ 35,373,900
26	Appropriated from:		
27	Federal revenues:		
28	Other federal revenues	3,741,800	3,741,800
29	Special revenue funds:		
30	Other state restricted revenues	26,312,300	26,312,300
31	State general fund/general purpose	\$ 5,319,800	\$ 5,319,800
32	Sec. 16-105. WILDLIFE MANAGEMENT		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Full-time equated classified positions.....	210.5	210.5
2 Natural resources heritage-9.0 FTE positions	\$ 842,600	\$ 842,600
3 Wildlife management-201.5 FTE positions	<u>56,179,300</u>	<u>56,179,300</u>
4 GROSS APPROPRIATION	\$ 57,021,900	\$ 57,021,900
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	26,845,400	26,845,400
8 Special revenue funds:		
9 Private revenues	465,700	465,700
10 Other state restricted revenues	25,179,000	25,179,000
11 State general fund/general purpose	\$ 4,531,800	\$ 4,531,800
12 Sec. 16-106. FISHERIES MANAGEMENT		
13 Full-time equated classified positions.....	208.5	208.5
14 Aquatic resource mitigation-2.0 FTE positions	\$ 739,200	\$ 739,200
15 Fish production-59.0 FTE positions	12,870,600	12,870,600
16 Fisheries resource management-147.5 FTE positions	<u>35,394,700</u>	<u>35,394,700</u>
17 GROSS APPROPRIATION	\$ 49,004,500	\$ 49,004,500
18 Appropriated from:		
19 Federal revenues:		
20 Other federal revenues	12,521,800	12,521,800
21 Special revenue funds:		
22 Private revenues	136,700	136,700
23 Other state restricted revenues	35,098,500	35,098,500
24 State general fund/general purpose	\$ 1,247,500	\$ 1,247,500
25 Sec. 16-107. LAW ENFORCEMENT		
26 Full-time equated classified positions.....	298.0	298.0
27 Body cameras for conservation officers-5.0 FTE		
28 positions	\$ 872,300	\$ 872,300
29 General law enforcement-293.0 FTE positions	<u>58,939,200</u>	<u>58,939,200</u>
30 GROSS APPROPRIATION	\$ 59,811,500	\$ 59,811,500
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Other federal revenues	8,482,000	8,482,000
2 Special revenue funds:		
3 Other state restricted revenues	31,133,800	31,133,800
4 State general fund/general purpose	\$ 20,195,700	\$ 20,195,700
5 Sec. 16-108. PARKS AND RECREATION DIVISION		
6 Full-time equated classified positions.....	1,095.0	1,095.0
7 Forest recreation and trails-87.4 FTE positions	\$ 11,697,400	\$ 11,697,400
8 MacMullan conference center-15.0 FTE positions	1,380,300	1,380,300
9 Michigan conservation corps	500,000	500,000
10 Recreational boating-182.5 FTE positions	25,689,200	25,689,200
11 State parks-810.1 FTE positions	<u>105,777,300</u>	<u>105,777,300</u>
12 GROSS APPROPRIATION	\$ 145,044,200	\$ 145,044,200
13 Appropriated from:		
14 Federal revenues:		
15 Other federal revenues	2,316,500	2,316,500
16 Special revenue funds:		
17 Private revenues	1,000,000	1,000,000
18 Other state restricted revenues	137,791,600	137,791,600
19 State general fund/general purpose	\$ 3,936,100	\$ 3,936,100
20 Sec. 16-109. MACKINAC ISLAND STATE PARK COMMISSION		
21 Full-time equated classified positions.....	17.0	17.0
22 Historical facilities system-13.0 FTE positions	\$ 1,746,700	\$ 1,746,700
23 Mackinac Island State Park operations-4.0 FTE		
24 positions	<u>139,300</u>	<u>139,300</u>
25 GROSS APPROPRIATION	\$ 1,886,000	\$ 1,886,000
26 Appropriated from:		
27 Special revenue funds:		
28 Other state restricted revenues	1,880,200	1,880,200
29 State general fund/general purpose	\$ 5,800	\$ 5,800
30 Sec. 16-110. FOREST RESOURCES DIVISION		
31 Full-time equated classified positions.....	356.5	356.5
32 Forest management and timber market development-219.5		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 FTE positions	\$ 51,175,500	\$ 51,175,500
2 Wildfire protection-137.0 FTE positions	<u>23,547,600</u>	<u>23,547,600</u>
3 GROSS APPROPRIATION	\$ 74,723,100	\$ 74,723,100
4 Appropriated from:		
5 Federal revenues:		
6 Other federal revenues	15,276,200	15,276,200
7 Special revenue funds:		
8 Private revenues	1,624,900	1,624,900
9 Other state restricted revenues	45,054,500	45,054,500
10 State general fund/general purpose	\$ 12,767,500	\$ 12,767,500
11 Sec. 16-111. GRANTS		
12 Dam management grant program	\$ 350,000	\$ 350,000
13 Deer habitat improvement partnership initiative	200,000	200,000
14 Federal - clean vessel act grants	400,000	400,000
15 Federal - forest stewardship grants	2,000,000	2,000,000
16 Federal - rural community fire protection	1,050,000	1,050,000
17 Federal - urban forestry grants	900,000	900,000
18 Grants to communities - federal oil, gas, and timber		
19 payments	3,450,000	3,450,000
20 Grants to counties - marine safety	4,724,700	4,724,700
21 National recreational trails	3,913,500	3,913,500
22 Nonmotorized trail development and maintenance grants	200,000	200,000
23 Off-road vehicle safety training grants	60,000	60,000
24 Off-road vehicle trail improvement grants	6,216,800	6,216,800
25 Recreation improvement fund grants	916,800	916,800
26 Recreation passport local grants	4,000,000	4,000,000
27 Snowmobile law enforcement grants	380,100	380,100
28 Snowmobile local grants program	9,590,400	9,590,400
29 Trail easements	<u>700,000</u>	<u>700,000</u>
30 GROSS APPROPRIATION	\$ 39,052,300	\$ 39,052,300
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Other federal revenues	13,280,900	13,280,900
2 Special revenue funds:		
3 Private revenues	100,000	100,000
4 Other state restricted revenues	25,121,400	25,121,400
5 State general fund/general purpose	\$ 550,000	\$ 550,000
6 Sec. 16-112. INFORMATION TECHNOLOGY		
7 Information technology services and projects	\$ <u>10,877,900</u>	\$ <u>10,877,900</u>
8 GROSS APPROPRIATION	\$ 10,877,900	\$ 10,877,900
9 Appropriated from:		
10 Special revenue funds:		
11 Other state restricted revenues	9,597,700	9,597,700
12 State general fund/general purpose	\$ 1,280,200	\$ 1,280,200
13 Sec. 16-113. CAPITAL OUTLAY		
14 (1) RECREATIONAL LANDS AND INFRASTRUCTURE		
15 Federal - land and water conservation fund payments ..	\$ 12,900,000	\$ 12,900,000
16 Fisheries infrastructure	1,326,900	1,326,900
17 Off-road vehicle trail development and maintenance ...	1,000,000	1,000,000
18 Recreational trail repairs and improvements	1,100,000	1,100,000
19 Snowmobile trail development and maintenance	2,800,000	2,800,000
20 State game and wildlife area infrastructure	3,864,500	3,864,500
21 State parks repair and maintenance	30,450,000	30,450,000
22 Wetlands restoration, enhancement and acquisition	<u>2,433,700</u>	<u>2,433,700</u>
23 GROSS APPROPRIATION	\$ 55,875,100	\$ 55,875,100
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	14,025,000	14,025,000
27 Special revenue funds:		
28 Other state restricted revenues	39,350,100	39,350,100
29 State general fund/general purpose	\$ 2,500,000	\$ 2,500,000
30 (2) WATERWAYS BOATING PROGRAM		
31 Local boating infrastructure maintenance and		
32 improvements	\$ 6,050,000	\$ 6,050,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 State boating infrastructure maintenance	22,517,400	22,517,400
2 GROSS APPROPRIATION	\$ 28,567,400	\$ 28,567,400
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	1,967,400	1,967,400
6 Special revenue funds:		
7 Other state restricted revenues	26,600,000	26,600,000
8 State general fund/general purpose	\$ 0	\$ 0
9 Sec. 16-114. ONE-TIME APPROPRIATIONS		
10 Full-time equated classified positions.....	14.0	0.0
11 Nature awaits-14.0 FTE positions	\$ 1,436,200	\$ 0
12 GROSS APPROPRIATION	\$ 1,436,200	\$ 0
13 Appropriated from:		
14 Special revenue funds:		
15 State general fund/general purpose	\$ 1,436,200	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$495,979,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$17,962,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

Invasive species prevention and control.....	\$	2,179,200
Wildlife management.....		150,300
Fisheries resource management.....		125,000
Dam management grant program.....		175,000
Grants to counties - marine safety.....		3,057,300
Nonmotorized trail development and maintenance grants.....		100,000
Off-road vehicle safety training grants.....		60,000
Off-road vehicle trail improvement grants.....		1,067,600
Recreation improvement fund grants.....		91,700
Recreation passport local grants.....		4,525,900
Snowmobile law enforcement grants.....		380,100
Local boating infrastructure maintenance and improvements.....		<u>6,050,000</u>
TOTAL	\$	17,962,100

Sec. 16-202. 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. 16-203. As used in this part and part 1:

- (a) "Department" means the department of natural resources.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "Standard report recipients" means the senate appropriations subcommittee on

1 agriculture and natural resources, the house appropriations subcommittee on agriculture and
2 rural development and natural resources, the senate and house fiscal agencies, the senate
3 and house policy offices, and the state budget office.

4 Sec. 16-204. A department or agency shall use the internet to fulfill the reporting
5 requirements of this part and shall make each report readily accessible to the public and
6 conspicuously post each required report in a single archivable location on the department's
7 or agency's Michigan.gov website not later than the due date required for each report. In
8 addition to placing all reports required in the current fiscal year on the department's or
9 agency's website, the department or agency shall maintain on its website all reports placed
10 on the website from previous fiscal years posted by fiscal year in the same single
11 archivable location. The department or agency shall also transmit all required reports for
12 the current fiscal year to the standard recipients and any other required recipients by
13 email.

14 Sec. 16-205. To the extent permissible under section 261 of the management and budget
15 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
16 appropriated in part 1:

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

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

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

25 Sec. 16-206. (1) The department shall maximize utilization of its in-person state
26 workforce. The department shall prioritize occupancy utilization of office space for each
27 division within the department. Employees with job responsibilities that require the
28 employees to serve in their capacities outside of an office shall be monitored each pay
29 period to ensure all work hours reported on the timesheet were actually worked.

30 (2) The department shall comply with requirements set forth by the office of the
31 state employer on in-person work and utilization and occupancy rates of state buildings to
32 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to

1 market conditions.

2 (3) The department shall adhere to civil service rules and regulations that state the
3 standard biweekly work period for a full-time employee in the classified service of this
4 state is the equivalent of 80.0 hours of work. The department shall establish policies and
5 processes to ensure all employees are working their jobs during agreed upon business hours.

6 Sec. 16-207. 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 and senate appropriations committees. The report must include
13 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. 16-208. Not later than 6 months after the state budget office issues work
19 project letters, a department, agency and the legislature shall submit an annual report
20 that summarizes all work project accounts. The report must include all of the following:

21 (a) A list of all work project accounts.

22 (b) The status of all work project accounts, including amounts expended, amounts
23 encumbered, and available balances for each account.

24 (c) The amount of funds that lapsed from any previously designated work project
25 accounts, the name and description of the work project account, and the funds that received
26 the lapsed amounts.

27 Sec. 16-209. 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 appropriations

1 committees.

2 Sec. 16-210. (1) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$3,000,000.00 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 \$5,000,000.00 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 Sec. 16-211. 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 Sec. 16-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
20 a marginalized community's access to government resources, programs, or facilities.

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

23 Sec. 16-213. To the extent permissible under the management and budget act, 1984 PA
24 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
25 appropriations in part 1 shall take all reasonable steps to ensure geographically
26 disadvantaged business enterprises compete for and perform contracts to provide services or
27 supplies, or both. Each director shall strongly encourage firms with which the department
28 or agency contracts to subcontract with certified geographically disadvantaged business
29 enterprises for services, supplies, or both. As used in this section, "geographically
30 disadvantaged business enterprises" means that term as defined in Executive Directive No.
31 2023-1.

32 Sec. 16-214. The department must provide an annual report to the standard report

1 recipients detailing significant federal policy changes that do, or are expected to
2 significantly impact the operations of the department, including reductions in federal
3 revenue and/or changes that are likely to lead to a reduction in the department's ability
4 to safeguard the health or welfare of the public.

5 Sec. 16-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
6 agencies shall provide to the state budget office a jointly agreed upon list of
7 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
8 of 2025. The list must include all information and documents pertaining to the funded items
9 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

10 (2) In accordance with section 364(4) of the Management and Budget Act, the
11 department or agency administering the grant shall post a report in a publicly accessible
12 location on its website beginning March 15 of the current fiscal year. The department or
13 agency shall update the report and shall post an updated report not later than June 15 of
14 the current fiscal year and again not later than September 15 of the current fiscal year.
15 The department shall include in the report the most comprehensive information the
16 department has available at the time of posting for grants awarded.

17 Sec. 16-216. On a quarterly basis, a department or agency receiving appropriations in
18 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
19 classification, including comparison by line item of the number of FTEs authorized from
20 funds appropriated in part 1 to the actual number of FTE positions employed by the
21 department or agency at the end of the reporting period. The report must be submitted to
22 the senate and house appropriations committees and to the standard report recipients.

23 Sec. 16-217. The state budget director shall take steps to ensure that all state
24 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
25 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
26 recovery funds that would otherwise lapse after September 30, 2026, are automatically
27 reappropriated for the same purpose as originally authorized and available for expenditure
28 through December 31, 2026, and any subsequent financial close out period.

29 Sec. 16-218. (1) The state budget director shall take steps to ensure that all state
30 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
31 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
32 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal

1 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
2 that may include, but are not limited to, completed projects coming in under budget or
3 funds unable to be fully used by subrecipients. The state budget director shall reallocate
4 any of the funds reallocated under this subsection to the programs or purposes specified in
5 this section. Any funds reallocated are unappropriated and immediately reappropriated for
6 the following purposes:

7 (a) To reclassify general fund/general purpose appropriations for payroll and covered
8 benefits for eligible public health and safety employees at the department of corrections.

9 (b) To reclassify general fund/general purpose appropriations for payroll and covered
10 benefits for eligible public health and safety employees at the department of state police.

11 (2) All applicable guidance, implementation, and reporting provisions of Public Law
12 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
13 subsection (1).

14 (3) The state budget director shall notify the senate and house appropriations
15 committees not later than 10 business days after making any reallocations under subsection
16 (1). The notification must include the authorized program under which funds were originally
17 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
18 department to which the funds are being reallocated under subsection (1), and the amount
19 reallocated to each program or purpose.

20 Sec. 16-230. (1) In addition to the money appropriated in part 1, there is
21 appropriated, from the following state restricted funds and accounts of the Michigan
22 conservation and recreation legacy fund, the following amounts to the following departments
23 and officers:

24 (a) Department of technology, management, and budget:

25 Game and fish protection account\$659,600
26 Waterways account\$177,200
27 State park improvement account\$158,300
28 Forest development fund\$354,600

29 (b) Department of attorney general:

30 Game and fish protection account\$693,300
31 Waterways account\$156,300

32 (c) Legislative auditor general:

1 Game and fish protection account.....\$39,100
 2 Waterways account\$14,100
 3 (d) Department of treasury:
 4 Game and fish protection account\$4,812,400
 5 Waterways account\$495,000
 6 Michigan natural resources trust fund.....\$3,289,700

7 (2) In addition to the money appropriated in part 1, there is appropriated from the
 8 following state restricted funds to the civil service commission the amount calculated for
 9 each fund pursuant to section 5 of article XI of the state constitution of 1963:

- 10 (a) Michigan conservation and recreation legacy fund.
- 11 (b) Forest development fund.
- 12 (c) Michigan natural resources trust fund.
- 13 (d) Michigan state parks endowment fund.
- 14 (e) Michigan nongame fish and wildlife trust fund.

15 Sec. 16-231. Pursuant to section 43703(3) of the natural resources and environmental
 16 protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the Michigan game
 17 and fish protection trust fund to the game and fish protection account of the Michigan
 18 conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September
 19 30, 2027.

20 Sec. 16-232. The department may contract with or provide grants to local units of
 21 government, institutions of higher education, or nonprofit organizations to support
 22 activities authorized by appropriations in part 1. As used in this section, contracts and
 23 grants include, but are not limited to, contracts and grants for research, wildlife and
 24 fisheries management, forest management, invasive species monitoring and control, and
 25 natural-resource-related programs.

26 Sec. 16-233. (1) The department may accept monetary and nonmonetary gifts, bequests,
 27 donations, contributions, or grants from any private or public source to support, in whole
 28 or in part, a departmental function or program. The department shall expend or use such
 29 gifts, bequests, donations, contributions, or grants for the purposes designated by the
 30 private or public source, if the purpose is specified.

31 (2) Amounts remaining from revenue collected by the department under this section
 32 that are unexpended and unencumbered must not lapse to the general fund but must be carried

1 forward to the subsequent fiscal year.

2 Sec. 16-240. (1) In addition to supporting the existing archeological
3 responsibilities of the department within the Michigan History Center, the funds
4 appropriated in part 1 for cultural resource management shall be utilized to continue the
5 ongoing process of consultation with known lineal descendants and officials of Native
6 American tribes on whose aboriginal lands a planned archeological activity will occur or an
7 inadvertent discovery has been made. The consultation shall address the identification,
8 treatment, and disposition of Native American cultural items.

9

10 **DEPARTMENT INITIATIVES**

11 Sec. 16-251. From the amounts appropriated in part 1 for invasive species prevention
12 and control, the department shall allocate not less than \$2,400,000.00 for grants for the
13 prevention, detection, eradication, and control of invasive species.

14 Sec. 16-252. (1) In addition to the funds appropriated in part 1, revenue deposited
15 in the invasive species fund created in section 41311 of the natural resources and
16 environmental protection act, 1994 PA 451, MCL 324.41311, is appropriated and may be
17 expended for invasive species immediate response efforts.

18 (2) The department shall annually notify the house and senate appropriations
19 subcommittees on natural resources and the house and senate fiscal agencies of any
20 expenditure of funds appropriated under subsection (1).

21 Sec. 16-257. The department shall prioritize right-of-way permits or easements for
22 construction or maintenance of broadband facilities on state land and shall not require a
23 centerline survey as a condition of the road right-of-way permit or easement if the
24 applicant can provide detailed engineering plans and if the broadband facilities are
25 contained completely in the right-of-way. If the broadband provider secures a road right-
26 of-way permit to construct or maintain broadband facilities required by the municipal,
27 county, or state entity that owns or controls the public road, the department shall not
28 require the broadband provider to obtain a permit or easement if the broadband facility is
29 contained completely within the road right-of-way. If installation of broadband facilities
30 cannot be contained completely within the right-of-way and requires placement of the
31 infrastructure on public lands, an easement will be required, and a certified survey may be
32 required. If installation of broadband facilities being placed in the road right-of-way

1 requires utilization of public lands, a permit may be required.

2

3 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

4 Sec. 16-302. The department may charge land acquisition projects appropriated for the
5 fiscal year ending September 30, 2027, and for prior fiscal years, a standard percentage
6 fee to recover actual costs, and may use the revenue derived to fund the land acquisition
7 service charges provided for in part 1.

8 Sec. 16-303. As appropriated in part 1, the department may charge both application
9 fees and transaction fees related to the exchange or sale of state-owned land or rights in
10 land authorized by part 21 of the natural resources and environmental protection act, 1994
11 PA 451, MCL 324.2101 to 324.2165. To the extent consistent with part 21, fees shall be set
12 by the director at a rate that allows the department to recover its costs for providing
13 these services.

14 Sec. 16-304. In addition to the funds appropriated in part 1, the department may
15 receive and expend money from state restricted sources to pay vendor costs associated with
16 administering sales of carbon offset credits.

17

18 **COMMUNICATION AND CUSTOMER SERVICES**

19 Sec. 16-408. By December 1, the department shall submit to the senate and house
20 appropriations subcommittees on natural resources a report on all land transactions
21 completed by the department in the prior fiscal year. for each land transaction, the report
22 shall include the size of the parcel (or for subdivided parcels, the number of parcels),
23 the county and municipality in which the parcel is located, the dollar amount of the
24 transaction, the fund source(s) affected by the transaction, and the transaction type.

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 from state forest timber sale receipts in the
5 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 subcommittees subcommittee on agriculture and rural
12 development and natural resources, and the house and senate fiscal agencies by November 15
13 of the 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.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	1,601.0	1,601.0
5	GROSS APPROPRIATION	\$ 299,487,300	\$ 299,487,300
6	Total interdepartmental grants and intradepartmental		
7	transfers	20,000,000	20,000,000
8	ADJUSTED GROSS APPROPRIATION	\$ 279,487,300	\$ 279,487,300
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	266,798,000	266,798,000
13	State general fund/general purpose	\$ 11,179,200	\$ 11,179,200
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>11,179,200</i>	<i>11,179,200</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.....	126.0	126.0
20	Secretary of state-1.0 FTE position	\$ 112,500	\$ 112,500
21	Unclassified salaries-5.0 FTE positions	853,100	853,100
22	Executive direction-28.0 FTE positions	5,246,600	5,246,600
23	Operations-98.0 FTE positions	27,404,800	27,404,800
24	Property management	11,668,900	11,668,900
25	Worker's compensation	<u>125,400</u>	<u>125,400</u>
26	GROSS APPROPRIATION	\$ 45,411,300	\$ 45,411,300
27	Appropriated from:		
28	Special revenue funds:		
29	Other state restricted revenues	44,126,900	44,126,900
30	State general fund/general purpose	\$ 1,284,400	\$ 1,284,400
31	Sec. 17-103. LEGAL SERVICES		
32	Full-time equated classified positions.....	179.0	179.0

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Operations-179.0 FTE positions	\$ 26,008,500	\$ 26,008,500
2 GROSS APPROPRIATION	\$ 26,008,500	\$ 26,008,500
3 Appropriated from:		
4 Special revenue funds:		
5 Other state restricted revenues	25,802,700	25,802,700
6 State general fund/general purpose	\$ 205,800	\$ 205,800
7 Sec. 17-104. CUSTOMER DELIVERY SERVICES		
8 Full-time equated classified positions.....	1,216.0	1,216.0
9 Branch operations-888.0 FTE positions	\$ 102,019,600	\$ 102,019,600
10 Central operations-326.0 FTE positions	54,862,100	54,862,100
11 Digital ID	100,000	100,000
12 Motorcycle safety education administration-2.0		
13 FTE positions	657,600	657,600
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	\$ 159,868,400	\$ 159,868,400
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	137,270,900	137,270,900
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	28,820,800	28,820,800
31 Fees to local units	<u>109,800</u>	<u>109,800</u>
32 GROSS APPROPRIATION	\$ 29,030,600	\$ 29,030,600

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Appropriated from:	
2	Special revenue funds:	
3	Other state restricted revenues	20,555,500 20,555,500
4	State general fund/general purpose	\$ 8,475,100 \$ 8,475,100
5	Sec. 17-106. INFORMATION TECHNOLOGY	
6	Information technology services and projects	\$ <u>39,168,500</u> \$ <u>39,168,500</u>
7	GROSS APPROPRIATION	\$ 39,168,500 \$ 39,168,500
8	Appropriated from:	
9	Special revenue funds:	
10	Other state restricted revenues	39,042,000 39,042,000
11	State general fund/general purpose	\$ 126,500 \$ 126,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$277,977,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$11,416,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Motorcycle safety education grants.....	\$	1,415,900
Election administration and services.....		10,000,000
Fees to local units.....		<u>500</u>
TOTAL	\$	11,416,400

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 the department of state.

(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. 17-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single

1 archivable location. The department or agency shall also transmit all required reports for
2 the current fiscal year to the standard recipients and any other required recipients by
3 email.

4 Sec. 17-205. 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. 17-206. (1) The department shall maximize utilization of its in-person state
16 workforce. The department shall prioritize occupancy utilization of office space for each
17 division within the department. Employees with job responsibilities that require the
18 employees to serve in their capacities outside of an office shall be monitored each pay
19 period to ensure all work hours reported on the timesheet were actually worked.

20 (2) The department shall comply with requirements set forth by the office of the
21 state employer on in-person work and utilization and occupancy rates of state buildings to
22 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
23 market conditions.

24 (3) The department shall adhere to civil service rules and regulations that state the
25 standard biweekly work period for a full-time employee in the classified service of this
26 state is the equivalent of 80.0 hours of work. The department shall establish policies and
27 processes to ensure all employees are working their jobs during agreed upon business hours.

28 Sec. 17-207. 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 and senate appropriations committees. The report must include
3 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. 17-208. Not later than 6 months after the state budget office issues work
9 project letters, a department, agency and the legislature shall submit an annual report
10 that summarizes all work project accounts. The report must include all of the following:

11 (a) A list of all work project accounts.

12 (b) The status of all work project accounts, including amounts expended, amounts
13 encumbered, and available balances for each account.

14 (c) The amount of funds that lapsed from any previously designated work project
15 accounts, the name and description of the work project account, and the funds that received
16 the lapsed amounts.

17 Sec. 17-209. Not later than December 15, the state budget office shall prepare and
18 submit a report that provides for estimates of the total general fund/general purpose
19 appropriation lapses at the close of the previous fiscal year. The report must summarize
20 the projected year-end general fund/general purpose appropriation lapses by major
21 departmental program or program areas. The state budget office shall submit the report to
22 the standard report recipients and the chairpersons of the senate and house appropriations
23 committees.

24 Sec. 17-210. (1) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$1,500,000.00 for federal contingency funds. These
26 funds are not available for expenditure until they have been transferred to another line
27 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
28 MCL 18.1393.

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

1 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
2 not to exceed \$50,000.00 for local contingency funds. These funds are not available for
3 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 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
6 not to exceed \$100,000.00 for private contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item in this article under
8 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

9 Sec. 17-211. A department or agency shall cooperate with the department of
10 technology, management and budget to maintain a searchable website accessible by the public
11 at no cost that includes, but is not limited to, all of the following for each department
12 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 Sec. 17-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
18 a marginalized community's access to government resources, programs, or facilities.

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

21 Sec. 17-213. 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. 17-214. The department must provide an annual report to the standard report
31 recipients detailing significant federal policy changes that do, or are expected to
32 significantly impact the operations of the department, including reductions in federal

1 revenue and/or changes that are likely to lead to a reduction in the department's ability
2 to safeguard the health or welfare of the public.

3 Sec. 17-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
4 agencies shall provide to the state budget office a jointly agreed upon list of
5 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
6 of 2025. The list must include all information and documents pertaining to the funded items
7 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

8 (2) In accordance with section 364(4) of the Management and Budget Act, the
9 department or agency administering the grant shall post a report in a publicly accessible
10 location on its website beginning March 15 of the current fiscal year. The department or
11 agency shall update the report and shall post an updated report not later than June 15 of
12 the current fiscal year and again not later than September 15 of the current fiscal year.
13 The department shall include in the report the most comprehensive information the
14 department has available at the time of posting for grants awarded.

15 Sec. 17-216. On a quarterly basis, a department or agency receiving appropriations in
16 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
17 classification, including comparison by line item of the number of FTEs authorized from
18 funds appropriated in part 1 to the actual number of FTE positions employed by the
19 department or agency at the end of the reporting period. The report must be submitted to
20 the senate and house appropriations committees and to the standard report recipients.

21 Sec. 17-217. The state budget director shall take steps to ensure that all state
22 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
23 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
24 recovery funds that would otherwise lapse after September 30, 2026, are automatically
25 reappropriated for the same purpose as originally authorized and available for expenditure
26 through December 31, 2026, and any subsequent financial close out period.

27 Sec. 17-218. (1) The state budget director shall take steps to ensure that all state
28 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
29 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
30 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
31 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
32 that may include, but are not limited to, completed projects coming in under budget or

1 funds unable to be fully used by subrecipients. The state budget director shall reallocate
2 any of the funds reallocated under this subsection to the programs or purposes specified in
3 this section. Any funds reallocated are unappropriated and immediately reappropriated for
4 the following purposes:

5 (a) To reclassify general fund/general purpose appropriations for payroll and covered
6 benefits for eligible public health and safety employees at the department of corrections.

7 (b) To reclassify general fund/general purpose appropriations for payroll and covered
8 benefits for eligible public health and safety employees at the department of state police.

9 (2) All applicable guidance, implementation, and reporting provisions of Public Law
10 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
11 subsection (1).

12 (3) The state budget director shall notify the senate and house appropriations
13 committees not later than 10 business days after making any reallocations under subsection
14 (1). The notification must include the authorized program under which funds were originally
15 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
16 department to which the funds are being reallocated under subsection (1), and the amount
17 reallocated to each program or purpose.

18

19 **DEPARTMENT OF STATE**

20 Sec. 17-705. (1) The department may accept gifts, donations, contributions, and
21 grants of money and other property from any private or public source to underwrite, in
22 whole or in part, the cost of a departmental publication that is prepared and disseminated
23 under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public
24 funding source may receive written recognition in the publication and may furnish a traffic
25 safety message, subject to approval of the department, for inclusion in the publication.
26 The department may reject a gift, donation, contribution, or grant. The department may
27 furnish copies of a publication underwritten, in whole or in part, by a private source to
28 the underwriter at no charge.

29 (2) The department may sell and accept paid advertising for placement in a
30 departmental publication that is prepared and disseminated under the Michigan vehicle code,
31 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any
32 advertisement appearing in a departmental publication and shall review and approve the

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

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

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

16 (5) If the department receives a gift, contribution, donation, or grant of money as
17 authorized under section 705 of article 5 of 2025 PA 22, not later than March 1, the
18 department shall submit a report to the standard report recipients that includes all of the
19 following information for the immediately preceding fiscal year:

20 (a) The amount of gifts, contributions, donations, and grants of money received by
21 the department under section 705 of article 5 of 2025 PA 22.

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

24 (c) A list of any gift, donation, contribution, or grant of property other than
25 funding received by the department under section 705 of article 5 of 2025 PA 22.

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

28 (6) In addition to copies delivered without charge as the secretary of state
29 considers necessary, the department may sell copies of manuals and other publications
30 regarding the sale, ownership, or operation or regulation of motor vehicles, with
31 amendments, at prices to be established by the secretary of state. As used in this
32 subsection, the term "manuals and other publications" includes videos and proprietary

1 electronic publications. All funds received from sales of these manuals and other
2 publications must be credited to the Michigan department of state publications fund created
3 in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211.

4 Sec. 17-707. Funds collected by the department under section 211 of the Michigan
5 vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to
6 provide for the costs of the publication described in section 211 of the Michigan vehicle
7 code, 1949 PA 300, MCL 257.211. Funds are allocated for expenditure when they are received
8 by the department of treasury and do not lapse to the general fund at the end of the fiscal
9 year.

10 Sec. 17-708. From the funds appropriated in part 1, the department shall use
11 available balances at the end of the state fiscal year to provide payment to the department
12 of state police in the amount of \$332,000.00 for the services provided by the traffic
13 accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

14 Sec. 17-709. From the funds appropriated in part 1, the department may restrict funds
15 from miscellaneous revenue to cover cash shortages created from normal branch office
16 operations. The restricted amount must not exceed \$50,000.00 of the total funds available
17 in miscellaneous revenue.

18 Sec. 17-710. The department shall delegate all responsibility for the procurement,
19 development, and maintenance of all information technology services and products to the
20 department of technology, management and budget unless otherwise delegated the
21 responsibility by law in an effort to streamline the procurement process and to ensure
22 compliance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

23 Sec. 17-711. Collector plate and fund-raising registration plate revenues collected
24 by the department are appropriated and allotted for distribution to the recipient
25 university or public or private agency overseeing a state-sponsored goal when received.
26 Distributions must occur on a quarterly basis or as otherwise authorized by law. Any
27 revenues remaining at the end of the fiscal year do not lapse to the general fund and
28 remain available for distribution to the university or agency in the next fiscal year.

29 Sec. 17-713. (1) The department, in collaboration with the Gift of Life Michigan or
30 its successor federally designated organ procurement organization, may develop and
31 administer a public information campaign concerning the Michigan organ donor program.

32 (2) The department may solicit funds from any private or public source to underwrite,

1 in whole or in part, the public information campaign authorized by this section. The
2 department may accept gifts, donations, contributions, and grants of money and other
3 property from private and public sources for this purpose. A private or public funding
4 source underwriting the public information campaign, in whole or in substantial part, shall
5 receive sponsorship credit for its financial backing.

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

9 (4) Funding appropriated in part 1 for the organ donor program must be used to
10 produce a pamphlet regarding organ donations and to distribute the pamphlet with driver
11 licenses and personal identification cards. The pamphlet must do both of the following:

12 (a) Explain the organ donor program and encourage people to become donors by marking
13 a checkoff on driver license and personal identification card applications.

14 (b) Include a return reply form addressed to the gift of life organization.

15 (5) Funding appropriated in part 1 for the organ donor program must be used to pay
16 for return postage costs of the return reply form described in subsection (4) (b) .

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

19 Sec. 17-715. (1) Any service assessment collected by the department from the user of
20 a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the
21 department for necessary expenses related to that service and may be remitted to a credit
22 or debit card company, bank, or other financial institution.

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

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

31 (4) As used in this section, "service assessment" means costs associated with service
32 fees imposed by credit and debit card companies and processing fees imposed by banks and

1 other financial institutions.

2 Sec. 17-717. (1) The department may accept gifts, donations, or contributions of
3 property from any private or public source to support, in whole or in part, the operation
4 of a departmental function relating to licensing, regulation, or safety. The department may
5 recognize a private or public contributor for making the contribution. The department may
6 reject a gift, donation, or contribution. Any revenues received under this subsection may
7 be expended for the departmental functions relating to licensing, regulation, or safety.

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

11 (3) If the department receives a gift, donation, or contribution of property as
12 authorized under this section, not later than March 1, the department shall submit a report
13 to the standard report recipients. The report must include a list of each gift, donation,
14 or contribution received by the department under subsection (1) for the immediately
15 preceding calendar year.

16 Sec. 17-718. From the funds appropriated in part 1 for election regulation, all money
17 must be spent in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to
18 168.992, and the instructions, orders, and guidance of the secretary of state regarding the
19 proper method for the conduct and administration of elections.

20 Sec. 17-719. Not later than February 1, the department shall submit a report to the
21 standard report recipients on all funding allocated to counties, cities, and townships from
22 funds appropriated in part 1 for election administration and services. The report must
23 include the amount and purpose of each payment provided to a county, city, or township.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	3,568.0		3,568.0
5	GROSS APPROPRIATION	\$ 969,683,600	\$	969,683,600
6	Total interdepartmental grants and intradepartmental			
7	transfers	29,521,800		29,521,800
8	ADJUSTED GROSS APPROPRIATION	\$ 940,161,800	\$	940,161,800
9	Total federal revenues	100,351,800		100,351,800
10	Total local revenues	5,088,800		5,088,800
11	Total private revenues	35,000		35,000
12	Total other state restricted revenues	200,908,000		200,908,000
13	State general fund/general purpose	\$ 633,778,200	\$	633,778,200
14	<i>State general fund/general purpose schedule:</i>			
15	<i>Ongoing state general fund/general purpose</i>	<i>633,778,200</i>		<i>633,778,200</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.....	139.0		139.0
20	Unclassified salaries-7.0 FTE positions	\$ 1,473,900	\$	1,473,900
21	Department services-39.0 FTE positions	10,679,700		10,679,700
22	Departmentwide	49,120,900		49,120,900
23	Executive direction-61.0 FTE positions	11,225,500		11,225,500
24	Mobile office and system support-39.0 FTE positions ..	<u>7,522,500</u>		<u>7,522,500</u>
25	GROSS APPROPRIATION	\$ 80,022,500	\$	80,022,500
26	Appropriated from:			
27	Interdepartmental grant revenues:			
28	IDG from department of transportation	86,700		86,700
29	IDG from department of treasury	434,700		434,700
30	IDG from other restricted funding	229,100		229,100
31	Interdepartmental transfers	76,900		76,900
32	Federal revenues:			

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Other federal revenues	3,145,500	3,145,500
2	Special revenue funds:		
3	Local revenues	10,100	10,100
4	Michigan merit award trust fund	16,600	16,600
5	Other state restricted revenues	5,842,800	5,842,800
6	State general fund/general purpose	\$ 70,180,100	\$ 70,180,100
7	Sec. 18-103. LAW ENFORCEMENT SERVICES		
8	Full-time equated classified positions.....	607.0	607.0
9	Biometrics and identification-60.0 FTE positions	\$ 13,055,900	\$ 13,055,900
10	Criminal justice information center-154.0 FTE		
11	positions	34,884,500	34,884,500
12	Forensic science-281.0 FTE positions	50,114,200	50,114,200
13	Grants and community services-31.0 FTE positions	22,889,800	22,889,800
14	Office of school safety-6.0 FTE positions	1,410,900	1,410,900
15	State 9-1-1 administration-5.0 FTE positions	1,165,700	1,165,700
16	Training operations-70.0 FTE positions	<u>16,447,300</u>	<u>16,447,300</u>
17	GROSS APPROPRIATION	\$ 139,968,300	\$ 139,968,300
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from department of state	428,700	428,700
21	IDG from department of transportation	791,100	791,100
22	IDG from other restricted funding	3,081,200	3,081,200
23	Interdepartmental transfers	1,100,000	1,100,000
24	Federal revenues:		
25	Other federal revenues	20,349,200	20,349,200
26	Special revenue funds:		
27	Local revenues	919,200	919,200
28	Private revenues	20,000	20,000
29	Other state restricted revenues	54,245,700	54,245,700
30	State general fund/general purpose	\$ 59,033,200	\$ 59,033,200
31	Sec. 18-104. MICHIGAN COMMISSION ON LAW ENFORCEMENT		
32	STANDARDS		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Full-time equated classified positions.....	27.0	27.0
2 In-service training-7.0 FTE positions	\$ 13,280,300	\$ 13,280,300
3 Justice training grants-3.0 FTE positions	10,000,000	10,000,000
4 Public safety officers benefit fund-1.0 FTE position .	303,300	303,300
5 Standards and training-16.0 FTE positions	4,115,000	4,115,000
6 Training only to local units	<u>855,000</u>	<u>855,000</u>
7 GROSS APPROPRIATION	\$ 28,553,600	\$ 28,553,600
8 Appropriated from:		
9 Federal revenues:		
10 Other federal revenues	280,900	280,900
11 Special revenue funds:		
12 Other state restricted revenues	14,350,700	14,350,700
13 State general fund/general purpose	\$ 13,922,000	\$ 13,922,000
14 Sec. 18-105. FIELD SERVICES		
15 Full-time equated classified positions.....	2,153.0	2,153.0
16 Investigative services-148.5 FTE positions	\$ 44,212,400	\$ 44,212,400
17 Post operations-2,004.5 FTE positions	<u>465,457,600</u>	<u>465,457,600</u>
18 GROSS APPROPRIATION	\$ 509,670,000	\$ 509,670,000
19 Appropriated from:		
20 Interdepartmental grant revenues:		
21 IDG from department of treasury	6,890,500	6,890,500
22 Interdepartmental transfers	1,159,800	1,159,800
23 Federal revenues:		
24 Other federal revenues	11,380,300	11,380,300
25 Special revenue funds:		
26 Local revenues	1,259,000	1,259,000
27 Michigan merit award trust fund	872,900	872,900
28 Other state restricted revenues	72,889,300	72,889,300
29 State general fund/general purpose	\$ 415,218,200	\$ 415,218,200
30 Sec. 18-106. SPECIALIZED SERVICES		
31 Full-time equated classified positions.....	642.0	642.0
32 Commercial vehicle enforcement-211.0 FTE positions ...	\$ 40,920,600	\$ 40,920,600

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Emergency management and homeland security-64.0	
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		For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Local revenues	951,700	951,700
2	Michigan merit award trust fund	3,400	3,400
3	Other state restricted revenues	13,386,300	13,386,300
4	State general fund/general purpose	\$ 15,279,000	\$ 15,279,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$834,686,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 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 part and part 1:

- (a) "CJIS" means Criminal Justice Information Systems.
- (b) "Department" means the department of state police.
- (c) "Director" means the director of the department.
- (d) "DNA" means deoxyribonucleic acid.
- (e) "FTE" means full-time equated position in the classified service of this state.
- (f) "IDG" means interdepartmental grant.
- (g) "MCOLES" means the Michigan commission on law enforcement standards created in section 3 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.603.
- (h) "SIGMA" means the statewide integrated governmental management application.
- (i) "Standard report recipients" means the senate and house appropriations subcommittees on state police, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

1 Sec. 18-204. A department or agency shall use the internet to fulfill the reporting
2 requirements of this part and shall make each report readily accessible to the public and
3 conspicuously post each required report in a single archivable location on the department's
4 or agency's Michigan.gov website not later than the due date required for each report. In
5 addition to placing all reports required in the current fiscal year on the department's or
6 agency's website, the department or agency shall maintain on its website all reports placed
7 on the website from previous fiscal years posted by fiscal year in the same single
8 archivable location. The department or agency shall also transmit all required reports for
9 the current fiscal year to the standard recipients and any other required recipients by
10 email.

11 Sec. 18-205. To the extent permissible under section 261 of the management and budget
12 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
13 appropriated in part 1:

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

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

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

22 Sec. 18-206. (1) The department shall maximize utilization of its in-person state
23 workforce. The department shall prioritize occupancy utilization of office space for each
24 division within the department. Employees with job responsibilities that require the
25 employees to serve in their capacities outside of an office shall be monitored each pay
26 period to ensure all work hours reported on the timesheet were actually worked.

27 (2) The department shall comply with requirements set forth by the office of the
28 state employer on in-person work and utilization and occupancy rates of state buildings to
29 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
30 market conditions.

31 (3) The department shall adhere to civil service rules and regulations that state the
32 standard biweekly work period for a full-time employee in the classified service of this

1 state is the equivalent of 80.0 hours of work. The department shall establish policies and
2 processes to ensure all employees are working their jobs during agreed upon business hours.

3 Sec. 18-207. 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 and senate appropriations committees. The report must include
10 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. 18-208. Not later than 6 months after the state budget office issues work
16 project letters, a department, agency and the legislature shall submit an annual report
17 that summarizes all work project accounts. The report must include all of the following:

18 (a) A list of all work project accounts.

19 (b) The status of all work project accounts, including amounts expended, amounts
20 encumbered, and available balances for each account.

21 (c) The amount of funds that lapsed from any previously designated work project
22 accounts, the name and description of the work project account, and the funds that received
23 the lapsed amounts.

24 Sec. 18-209. 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 appropriations
30 committees.

31 Sec. 18-210. (1) In addition to the funds appropriated in part 1, there is
32 appropriated an amount not to exceed \$15,000,000.00 for state restricted contingency funds.

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

4 Sec. 18-211. 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 Sec. 18-212. (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. 18-213. To the extent permissible under the management and budget act, 1984 PA
17 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
18 appropriations in part 1 shall take all reasonable steps to ensure geographically
19 disadvantaged business enterprises compete for and perform contracts to provide services or
20 supplies, or both. Each director shall strongly encourage firms with which the department
21 or agency contracts to subcontract with certified geographically disadvantaged business
22 enterprises for services, supplies, or both. As used in this section, "geographically
23 disadvantaged business enterprises" means that term as defined in Executive Directive No.
24 2023-1.

25 Sec. 18-214. The department must provide an annual report to the standard report
26 recipients detailing significant federal policy changes that do, or are expected to
27 significantly impact the operations of the department, including reductions in federal
28 revenue and/or changes that are likely to lead to a reduction in the department's ability
29 to safeguard the health or welfare of the public.

30 Sec. 18-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
31 agencies shall provide to the state budget office a jointly agreed upon list of
32 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33

1 of 2025. The list must include all information and documents pertaining to the funded items
2 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

3 (2) In accordance with section 364(4) of the Management and Budget Act, the
4 department or agency administering the grant shall post a report in a publicly accessible
5 location on its website beginning March 15 of the current fiscal year. The department or
6 agency shall update the report and shall post an updated report not later than June 15 of
7 the current fiscal year and again not later than September 15 of the current fiscal year.
8 The department shall include in the report the most comprehensive information the
9 department has available at the time of posting for grants awarded.

10 Sec. 18-216. On a quarterly basis, a department or agency receiving appropriations in
11 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
12 classification, including comparison by line item of the number of FTEs authorized from
13 funds appropriated in part 1 to the actual number of FTE positions employed by the
14 department or agency at the end of the reporting period. The report must be submitted to
15 the senate and house appropriations committees and to the standard report recipients.

16 Sec. 18-217. The state budget director shall take steps to ensure that all state
17 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
18 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
19 recovery funds that would otherwise lapse after September 30, 2026, are automatically
20 reappropriated for the same purpose as originally authorized and available for expenditure
21 through December 31, 2026, and any subsequent financial close out period.

22 Sec. 18-218. (1) The state budget director shall take steps to ensure that all state
23 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
24 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
25 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
26 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
27 that may include, but are not limited to, completed projects coming in under budget or
28 funds unable to be fully used by subrecipients. The state budget director shall reallocate
29 any of the funds reallocated under this subsection to the programs or purposes specified in
30 this section. Any funds reallocated are unappropriated and immediately reappropriated for
31 the following purposes:

32 (a) To reclassify general fund/general purpose appropriations for payroll and covered

1 benefits for eligible public health and safety employees at the department of corrections.

2 (b) To reclassify general fund/general purpose appropriations for payroll and covered
3 benefits for eligible public health and safety employees at the department of state police.

4 (2) All applicable guidance, implementation, and reporting provisions of Public Law
5 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
6 subsection (1).

7 (3) The state budget director shall notify the senate and house appropriations
8 committees not later than 10 business days after making any reallocations under subsection
9 (1). The notification must include the authorized program under which funds were originally
10 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
11 department to which the funds are being reallocated under subsection (1), and the amount
12 reallocated to each program or purpose.

13 Sec. 18-228. The department shall submit a biannual report on the performance metrics
14 cited or information required to be reported in this part, reasons for nonachievement of
15 metric targets, and proposed corrective actions.

16 Sec. 18-231. (1) The department may accept monetary and nonmonetary gifts, bequests,
17 donations, contributions, or grants from any private or public source to support, in whole
18 or in part, a departmental function or program. The department shall expend or use the
19 gifts, bequests, donations, contributions, or grants accepted under this subsection for the
20 purposes designated by the private or public source, if the purpose is specified.

21 (2) Revenue collected by the department under this section that is unexpended and
22 unencumbered must not lapse to the general fund but must be carried forward to the
23 subsequent fiscal year.

24 (3) Private revenues received under this section that exceed the appropriations in
25 part 1 are appropriated and may be received and expended by the department for the purposes
26 for which the funds are received.

27 (4) If additional authorization is approved in SIGMA by the state budget office under
28 this section, the department shall notify the senate and house appropriations subcommittees
29 on state police and the senate and house fiscal agencies within 10 days after the approval.
30 The notification must include the amount and funding source of the additional
31 authorization, the date of the approval, and the projected use of the funds to be expended.

32 Sec. 18-232. (1) Federal revenues authorized by and available from the federal

1 government in excess of the appropriations in part 1 are appropriated and may be received
2 and expended by the department for purposes authorized under state law and subject to
3 federal requirements. The total amount of federal revenues that may be received and
4 expended under this section and section 704(3) must not exceed \$750,000,000.00.

5 (2) The department shall notify the standard report recipients before expending
6 federal revenues received and appropriated under subsection (1).

7 (3) If additional authorization is approved in SIGMA by the state budget office under
8 this section, the department shall notify the senate and house appropriations subcommittees
9 on state police and the senate and house fiscal agencies within 10 days after the approval.
10 The notification must include the amount and funding source of the additional
11 authorization, the date of its approval, and the projected use of the funds to be expended.
12

13 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

14 Sec. 18-303. (1) When the department provides contractual services to a local unit of
15 government, the department shall be reimbursed for all costs incurred in providing the
16 services.

17 (2) The department shall define service cost models for those services requiring
18 reimbursement.

19 (3) Contractual services provided to an entity other than a local unit of government
20 may be provided by department personnel, but only on an overtime basis outside the normal
21 work schedule of the personnel. All costs incurred in providing the services are eligible
22 for reimbursement.

23 (4) This section does not apply to services provided to state agencies.

24 (5) Revenues received for contractual or reimbursed services in excess of the
25 appropriations in part 1 are appropriated and may be received and expended by the
26 department for the purposes for which the funds are received.

27 (6) If additional authorization is approved in SIGMA by the state budget office under
28 this section, the department shall notify the senate and house appropriations subcommittees
29 on state police and the senate and house fiscal agencies within 10 days after the approval.
30 The notification must include the amount and funding source of the additional
31 authorization, the date of its approval, and the projected use of the funds to be expended.

32 Sec. 18-304. The department may establish and collect fees for publications, videos,

1 conferences, workshops, and related materials. Fees collected under this section must be
2 used to offset expenditures for costs of the publications, videos, workshops, conferences,
3 and related materials. The department shall not collect fees under this section that exceed
4 the cost of the expenditures.

5 Sec. 18-306. From the funds appropriated in part 1, the department may purchase real
6 property.

7

8 **LAW ENFORCEMENT SERVICES**

9 Sec. 18-401. (1) The department shall develop and deliver professional, innovative,
10 and quality training that supports the enforcement and public safety efforts of the
11 criminal justice community.

12 (2) The department shall provide performance data, as provided under section 228, for
13 days of training being conducted by the academy.

14 (3) From the funds appropriated in part 1 for training operations, the department may
15 provide or obtain the following training:

16 (a) Training that directly relates to the individual's job description and role
17 within the department.

18 (b) Professional development training.

19 (c) Training that provides the individual with the ability to seek expanded
20 opportunities within the department.

21 (d) Advanced education training.

22 (4) Not later than January 1, the department shall submit a report to the standard
23 report recipients and to the senate and house appropriations committees that includes the
24 following information about the funds appropriated in part 1 for training operations:

25 (a) The training courses that the department's employees completed.

26 (b) If a training course is developed by the department, a description of that
27 course's curriculum and its purpose.

28 (c) The number of the department's employees who have received and completed training
29 pursuant to this section.

30 (5) The department shall distribute and review course evaluations to ensure that
31 quality training is provided.

32 Sec. 18-402. (1) In accordance with applicable state and federal laws and

1 regulations, the department shall maintain and ensure compliance with CJIS databases and
2 applications in the support of public safety and law enforcement communities.

3 (2) The department shall improve the accuracy, timeliness, and completeness of
4 criminal history information by conducting a minimum of 30 outreach activities targeted to
5 criminal justice agencies. The department shall report the number of these outreach
6 activities conducted, as provided under section 228.

7 (3) The department shall provide for the compilation of crime statistics consistent
8 with the uniform crime reporting (UCR) program and the national incident-based report
9 system (NIBRS).

10 (4) The department shall provide for the compilation and evaluation of traffic crash
11 reports and the maintenance of the state accident data collection system.

12 (5) The department shall make individual traffic crash reports available for a fee of
13 \$15.00 per incident. The department may also sell an extract of electronic traffic crash
14 data for a fee of \$0.25 per incident, provided that the name, address, and any other
15 personal identifying information have been excluded.

16 (6) By March 1, the department shall submit a report to the standard report
17 recipients detailing the number of traffic crash reports provided, the amount of revenue
18 collected, and all expenditures incurred for activities under subsection (5) in the
19 preceding fiscal year. The report must include an analysis of whether revenue from
20 department activities under subsection (5) is sufficient to offset all costs incurred for
21 those activities and must provide information regarding any deficit or surplus of revenue.

22 (7) In accordance with applicable state and federal laws and regulations, the
23 department shall provide for the maintenance and dissemination of criminal history records
24 and juvenile records, including to the extent necessary to exchange criminal history
25 records information with the Federal Bureau of Investigation and other states through the
26 interstate identification index, the National Crime Information Center, and other federal
27 CJIS databases and indices.

28 (8) The department shall, in accordance with applicable state and federal laws,
29 provide for the maintenance of records, including criminal history records regarding
30 firearms licensure, as provided under 1927 PA 372, MCL 28.421 to 28.435.

31 (9) The department shall provide information on the number of background checks
32 processed through the internet criminal history access tool (ICHAT), as provided in section

1 228.

2 (10) The following unexpended and unencumbered revenues deposited into the criminal
3 justice information center service fees must not lapse to the general fund, but must be
4 carried forward into the subsequent fiscal year: (a) Fees for fingerprinting and criminal
5 record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to
6 28.274.

7 (b) Fees for application and licensing for initial and renewal concealed pistol
8 licenses under 1927 PA 372, MCL 28.421 to 28.435.

9 (c) Fees for searching, copying, and providing public records under the freedom of
10 information act, 1976 PA 442, MCL 15.231 to 15.246.

11 (d) Revenue from other sources, including, but not limited to, investment and
12 interest earnings.

13 (11) Unexpended and unencumbered revenue generated by state records management system
14 fees must not lapse to the general fund, but must be carried forward into the subsequent
15 fiscal year.

16 Sec. 18-403. (1) The department shall provide forensic testing and analysis/profiling
17 of DNA evidence to aid in law enforcement investigations in this state.

18 (2) The department shall ensure its ability to maintain accreditation by a federally
19 designated accrediting agency, as provided under 34 USC 12592.

20 (3) The department shall provide forensic science services with an average turnaround
21 time of 55 days, assuming an annual caseload volume commensurate with the average annual
22 caseload received by the forensic science division during the preceding 5 fiscal years, and
23 shall work to achieve a goal of a 30-day average turnaround time across all forensic
24 science disciplines.

25 (4) The department shall provide the following data as provided in section 228:

26 (a) The average turnaround time for processing forensic evidence across all
27 disciplines.

28 (b) Forensic laboratory staffing levels, including scientists in training, and
29 vacancies.

30 (c) The number of backlogged cases in each discipline.

31 Sec. 18-404. (1) The biometrics and identification division shall maintain and manage
32 the automated biometric identification system, statewide network of agency photographs, and

1 combined offender DNA index system biometric databases.

2 (2) The department shall provide data on the number of 10-print and palm-print
3 submissions to the database, as provided in section 228.

4 (3) If changes are made to the department's protocol for retaining and purging DNA
5 analysis samples and records, the department shall post a copy of the protocol changes on
6 the department's website.

7 Sec. 18-405. Not later than December 1, the department shall submit a report to the
8 standard report recipients that includes, but is not limited to, all of the following
9 information:

10 (a) Sexual assault kit analysis backlog at the beginning of the previous fiscal year.

11 (b) The number of sexual assault kits collected or submitted for analysis during the
12 previous fiscal year.

13 (c) The number of sexual assault kits analyzed and the number of associated DNA
14 profiles created and uploaded during the previous fiscal year.

15 (d) Sexual assault kit analysis backlog at the end of the previous fiscal year.

16 (e) The average turnaround time to analyze sexual assault kits and to create and
17 upload associated DNA profiles for the previous fiscal year.

18 Sec. 18-406. The department shall provide administrative support for the following
19 grant and community service programs:

20 (a) The operations of the automobile theft prevention authority.

21 (b) Administration of the Edward Byrne memorial justice assistance program and other
22 grant programs, including the department's community policing efforts.

23 (c) Administration of the office of school safety.

24 (d) Administration and outreach of the OK2SAY program.

25 Sec. 18-407. Not later than March 30, the office of school safety shall provide a
26 school safety report to the legislature and the senate and house fiscal agencies that must
27 include reports of all of the following:

28 (a) The incidents of school violence or threats reported to the state police by local
29 law enforcement or local school districts, or received through the Michigan incident crime
30 report (MICR).

31 (b) OK2SAY-based incidences and activities.

32 (c) Based upon an evaluation of school safety incidents, recommendations on best

1 practices and other safety measures to ensure school safety in this state.

2 Sec. 18-408. (1) The department shall make an organized, strategic effort to recruit,
3 onboard, train, and outfit trooper school candidates and other new employees using the
4 funds appropriated in part 1.

5 (2) The department shall submit a report to the standard report recipients within 60
6 days of the conclusion of any trooper, motor carrier, or state properties security recruit
7 school. The report must include all of the following:

8 (a) The number of veterans and the number of MCOLES-certified police officers who
9 were admitted to and the number who graduated from the recruit school.

10 (b) The total number of recruits who were admitted to the recruit school, the number
11 of recruits who graduated from the recruit school, and the location at which each of these
12 recruits is assigned.

13 (3) The department may use the funds appropriated in part 1 that represent attrition
14 savings to offset the cost of recruiting efforts described under subsection (1).

15 (4) The unexpended and unencumbered general fund/general purpose funds appropriated
16 in part 1 for training operations must not lapse to the general fund at the end of the
17 fiscal year but must be deposited into the trooper recruit school fund created under
18 section 819b of the Michigan vehicle code, 1949 PA 300, MCL 257.819b.

19 Sec. 18-409. (1) From the funds appropriated in part 1, the department shall, in
20 collaboration with the department of civil rights and MCOLES, provide the following
21 training to local police departments or officers free of charge:

22 (a) Diversity and cultural awareness and competency.

23 (b) Conflict management.

24 (c) Use of force on vulnerable individuals, including children, individuals with
25 disabilities, individuals with unmet mental health needs, individuals under the influence
26 of substances, and pregnant individuals.

27 (d) Mental health and wellness for law enforcement officers.

28 (2) The training provided under subsection (1) may be offered online in order to
29 facilitate easy access and may be given by department staff, contractors, or external
30 vendors.

31 (3) On a quarterly basis, the department shall submit a report to the standard report
32 recipients on the number of officers, by police department, that received training under

1 this section.

2 Sec. 18-410. 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: (a) Utilization
6 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 Sec. 18-411. 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

14 **COMMISSION ON LAW ENFORCEMENT STANDARDS**

15 Sec. 18-501. (1) MCOLES shall establish standards for the selection, employment,
16 training, education, licensing, and licensure revocation of all law enforcement officers
17 and provide the basic law enforcement training curriculum for law enforcement training
18 academy programs statewide.

19 (2) From the funds appropriated in part 1, MCOLES, by March 1, shall submit a report
20 to the standard report recipients that includes a summary of MCOLES activities during the
21 prior calendar year. The report required under this subsection must include, but is not
22 limited to, both of the following:

23 (a) An account of the distribution of training funds administered by MCOLES.

24 (b) A list of recipients that received training funds under subdivision (a) and the
25 amount received by each recipient and for what purpose it was used.

26 Sec. 18-502. The general fund/general purpose funds appropriated in part 1 for public
27 safety officers benefit fund must be deposited into the public safety officers benefit fund
28 created in section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633. The
29 general fund/general purpose funds appropriated in part 1 for public safety officers
30 benefit fund and deposited into the public safety officers benefit fund in accordance with
31 section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633, and this
32 section must be used to increase the \$25,000.00 benefit payment made to a recipient who

1 dies or is permanently and totally disabled during the fiscal year under section 4 of the
2 public safety officers benefit act, 2004 PA 46, MCL 28.634, to \$50,000.00. All funds in the
3 public safety officers benefit fund are appropriated and available for expenditure in
4 accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL
5 28.633.

6 Sec. 18-503. Funds appropriated in part 1 for in-service training must be deposited
7 into the law enforcement officers training fund created in section 11(7) of the Michigan
8 commission on law enforcement standards act, 1965 PA 203, MCL 28.611. All funds in the law
9 enforcement officers training fund are appropriated and available for expenditure to
10 support the implementation of required annual in-service training standards for all
11 licensed law enforcement officers, in accordance with rules promulgated under section 11(2)
12 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611.

13

14 **FIELD SERVICES**

15 Sec. 18-601. (1) Department enlisted personnel who are employed to enforce traffic
16 laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e,
17 are not prohibited from responding to crimes in progress or other emergency situations and
18 are responsible for making every effort to protect all residents of this state.

19 (2) The department shall report on the number of residence checks of registered sex
20 offenders conducted, as provided under section 228.

21 Sec. 18-602. The department shall identify and apprehend criminals through criminal
22 investigations in this state.

23 Sec. 18-603. (1) The department shall provide protection to this state, its economy,
24 welfare, and vital state-sponsored programs through the prevention and suppression of
25 organized smuggling of untaxed tobacco products in this state, through enforcement of the
26 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to
27 combating criminal activity in this state, and by maintaining a tobacco tax enforcement
28 unit.

29 (2) The department shall submit an annual report on December 1 to the standard report
30 recipients and to the senate and house appropriations subcommittees on general government
31 that details expenditures and activities related to tobacco tax enforcement for the
32 previous fiscal year.

1 Sec. 18-604. The department shall provide fire investigation training and
2 investigative assistance to public safety agencies in this state.

3 Sec. 18-605. From the funds appropriated in part 1, the department shall make an
4 organized, strategic effort to recruit trooper school candidates and other new employees
5 that mirror the diverse racial, religious, and cultural backgrounds that make up the
6 communities in this state.

7
8 **SPECIALIZED SERVICES**

9 Sec. 18-701. (1) The department shall operate the Michigan intelligence operations
10 center for homeland security as this state's primary federally designated fusion center to
11 receive, analyze, gather, and disseminate threat-related information among federal, state,
12 local, tribal, and private sector partners.

13 (2) The department shall ensure public safety by providing public and private sector
14 partners with timely and accurate information regarding critical information key resource
15 threats, as reported to or discovered by the Michigan intelligence operations center for
16 homeland security, and shall increase public awareness on how to report suspicious activity
17 through website or telephone communications.

18 Sec. 18-702. (1) The department shall provide specialized services in support of, and
19 to enhance, local, state, and federal law enforcement operations within this state, in
20 accordance with all applicable state and federal laws and regulations.

21 Sec. 18-703. (1) The department shall maintain commercial vehicle regulation, school
22 bus inspections, and enforcement activities, including enforcement of requirements
23 concerning size, weight, and load restrictions; operating authority; registration; fuel
24 taxes; transportation of hazardous materials; new entrant operations; commercial driver
25 licenses; and inspections pursuant to the federal motor carrier assistance program.

26 (2) The department shall maintain the staffing and resources necessary to meet
27 inspection goals consistent with the department's federal motor carrier assistance program
28 activities.

29 (3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42,
30 must be expended in accordance with that act. Unexpended and unencumbered revenues must not
31 lapse to the general fund but must be carried forward into the subsequent fiscal year.

32 Sec. 18-704. (1) The department shall coordinate the mitigation, preparation,

1 response, and recovery activities of municipal, county, state, and federal governments, and
2 other governmental entities, for all hazards, disasters, and emergencies.

3 (2) The state director of emergency management may expend money appropriated under
4 part 1 to call on any agency or department of this state or any resource of this state to
5 protect life or property or to provide for the health or safety of the population in any
6 area of this state in which the governor proclaims a state of emergency or state of
7 disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state
8 director of emergency management may expend the amounts the director considers necessary to
9 accomplish these purposes. The director shall submit to the state budget director, as soon
10 as possible, a complete report of all actions taken under the authority of this section.
11 The report must contain, as a separate item, a statement of all money expended that is not
12 reimbursable from federal funding. The state budget director shall review the expenditures
13 and submit recommendations to the legislature in regard to any possible need for a
14 supplemental appropriation.

15 (3) In addition to the funds appropriated in part 1, the department may receive and
16 expend money from local, private, federal, or state sources for the purpose of providing
17 emergency management training to local or private interests and for the purpose of
18 supporting emergency preparedness, response, recovery, and mitigation activity. If
19 additional expenditure authorization in SIGMA is approved by the state budget office under
20 this section, the department and the state budget office shall notify the senate and house
21 appropriations subcommittees on state police and the senate and house fiscal agencies
22 within 10 days after the approval. The notification must include the amount and source of
23 the additional authorization, the date of its approval, and the projected use of the funds
24 to be expended under the authorization. The total amount of federal revenues that may be
25 received and expended under this section and section 232 must not exceed \$750,000,000.00.

26 (4) The department shall foster, promote, and maintain partnerships to protect this
27 state and homeland from all hazards.

28 (5) The department shall maintain the staffing and resources necessary to do all of
29 the following:

30 (a) Serve approximately 105 local emergency management preparedness programs and 88
31 local emergency planning committees in this state.

32 (b) Operate and maintain the state's emergency operations center and provide command

1 and control in support of emergency response services.

2 (c) Maintain readiness, including training and equipment to respond to civil
3 disorders and natural disasters commensurate with the capabilities of fiscal year 2010-
4 2011.

5 (d) Perform hazardous materials response training.

6 (6) The department shall conduct a minimum of 3 training sessions to enhance safe
7 response in the event of natural or manmade incidents, emergencies, or disasters.

8 (7) In addition to the funds appropriated in part 1, there is appropriated from the
9 disaster and emergency contingency fund an amount necessary to cover costs related to any
10 disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401
11 to 30.421. Funds must be expended as provided under sections 18 and 19 of the emergency
12 management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
13 Administrative Code.

14 (8) Revenue collected by the department under this section for the emergency
15 management and homeland security training center that is unexpended and unencumbered at the
16 end of the fiscal year must not lapse to the general fund, but must be carried forward into
17 the subsequent fiscal year.

18 Sec. 18-705. The department shall provide for the planning, administration, and
19 implementation of highway traffic safety programs to save lives and reduce injuries on
20 roads in this state, in partnership with other public and private organizations.

21 Sec. 18-706. (1) Funds appropriated in part 1 for the secondary road patrol program
22 must be used to provide grants to sheriffs under the secondary road patrol program
23 described under section 76 of 1846 RS 14, MCL 51.76.

24 (2) The sheriffs' duties under the secondary road patrol program, as outlined in
25 section 76(2) of 1846 RS 14, MCL 51.76, are to do all of the following:

26 (a) Patrol and monitor traffic violations.

27 (b) Enforce the criminal laws of this state, violations of which are observed by or
28 brought to the attention of the sheriff's department while patrolling and monitoring
29 secondary roads.

30 (c) Investigate accidents involving motor vehicles.

31 (d) Provide emergency assistance to persons on or near a highway or road the sheriff
32 is patrolling and monitoring.

1 Sec. 18-707. The department shall serve as an active liaison between the department
2 of technology, management, and budget and state, local, regional, and federal public safety
3 agencies on matters pertaining to the Michigan public safety communications system and
4 shall report user issues to the department of technology, management, and budget.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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.....	3,269.5	3,269.5
5	GROSS APPROPRIATION	\$ 1,912,456,000	\$ 1,869,292,000
6	Total interdepartmental grants and intradepartmental		
7	transfers	1,171,532,000	1,171,532,000
8	ADJUSTED GROSS APPROPRIATION	\$ 740,924,000	\$ 697,760,000
9	Total federal revenues	4,493,300	4,493,300
10	Total local revenues	3,094,600	3,094,600
11	Total private revenues	354,400	354,400
12	Total other state restricted revenues	147,277,200	147,277,200
13	State general fund/general purpose	\$ 585,704,500	\$ 542,540,500
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>542,540,500</i>	<i>542,540,500</i>
16	<i>One-time state general fund/general purpose</i>	<i>43,164,000</i>	<i>0</i>
17	Sec. 19-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	930.0	930.0
20	Unclassified salaries-6.0 FTE positions	\$ 1,168,600	\$ 1,168,600
21	Administrative services-155.0 FTE positions	24,811,800	24,811,800
22	Budget and financial management-199.0 FTE positions ..	43,810,500	43,810,500
23	Building operation services-275.0 FTE positions	117,038,000	117,038,000
24	Business support services-108.0 FTE positions	18,053,600	18,053,600
25	Design and construction services-54.0 FTE positions ..	10,011,600	10,011,600
26	Executive operations-33.5 FTE positions	5,760,000	5,760,000
27	Michigan center for data and analytics-42.0 FTE		
28	positions	8,970,700	8,970,700
29	Motor vehicle fleet-39.0 FTE positions	107,598,800	107,598,800
30	Office of the state employer-10.0 FTE positions	1,939,200	1,939,200
31	Property management	9,007,500	9,007,500
32	State archives-14.5 FTE positions	<u>2,339,800</u>	<u>2,339,800</u>

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 GROSS APPROPRIATION	\$ 350,510,100	\$ 350,510,100
2 Appropriated from:		
3 Interdepartmental grant revenues:		
4 IDG from department of health and human services	759,100	759,100
5 IDG from department of licensing and regulatory affairs		100,000
6 100,000		
7 IDG from other restricted funding	255,974,600	255,974,600
8 Federal revenues:		
9 Other federal revenues	4,493,200	4,493,200
10 Special revenue funds:		
11 Local revenues	57,800	57,800
12 Private revenues	354,300	354,300
13 Other state restricted revenues	33,399,100	33,399,100
14 State general fund/general purpose	\$ 55,372,000	\$ 55,372,000
15 Sec. 19-103. TECHNOLOGY SERVICES		
16 Full-time equated classified positions.....	1,670.5	1,670.5
17 Enterprise user experience-14.0 FTE positions	\$ 4,292,600	\$ 4,292,600
18 Homeland security initiative/cyber security-58.0		
19 FTE positions	29,136,500	29,136,500
20 Information technology investment fund	35,000,000	35,000,000
21 Information technology services-1,446.5 FTE positions	908,865,400	908,865,400
22 Michigan public safety communications system-152.0		
23 FTE positions	<u>58,594,300</u>	<u>58,594,300</u>
24 GROSS APPROPRIATION	\$ 1,035,888,800	\$ 1,035,888,800
25 Appropriated from:		
26 Interdepartmental grant revenues:		
27 IDG from other restricted funding	908,865,400	908,865,400
28 Special revenue funds:		
29 Local revenues	3,036,700	3,036,700
30 State general fund/general purpose	\$ 123,986,700	\$ 123,986,700
31 Sec. 19-104. STATEWIDE APPROPRIATIONS		
32 Professional development fund - AFSCME	\$ 50,000	\$ 50,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Professional development fund - MPE, SEIU, scientific		
2 and engineering unit	100,000	100,000
3 Professional development fund - MPE, SEIU, technical		
4 unit	50,000	50,000
5 Professional development fund - NEREs	200,000	200,000
6 Professional development fund - UAW	<u>700,000</u>	<u>700,000</u>
7 GROSS APPROPRIATION	\$ 1,100,000	\$ 1,100,000
8 Appropriated from:		
9 Interdepartmental grant revenues:		
10 IDG from other restricted funding	1,100,000	1,100,000
11 Special revenue funds:		
12 State general fund/general purpose	\$ 0	\$ 0
13 Sec. 19-105. SPECIAL PROGRAMS		
14 Full-time equated classified positions.....	199.0	199.0
15 Capital city services	\$ 1,000,000	\$ 1,000,000
16 Make it in Michigan	400	400
17 Office of the child advocate-22.0 FTE positions	4,073,100	4,073,100
18 Property management - executive/legislative	1,560,800	1,560,800
19 Retirement services-177.0 FTE positions	<u>30,700,700</u>	<u>30,700,700</u>
20 GROSS APPROPRIATION	\$ 37,335,000	\$ 37,335,000
21 Appropriated from:		
22 Federal revenues:		
23 Other federal revenues	100	100
24 Special revenue funds:		
25 Local revenues	100	100
26 Private revenues	100	100
27 Other state restricted revenues	30,607,800	30,607,800
28 State general fund/general purpose	\$ 6,726,900	\$ 6,726,900
29 Sec. 19-106. STATE BUILDING AUTHORITY RENT		
30 State building authority rent - community colleges ...	\$ 40,398,900	\$ 40,398,900
31 State building authority rent - state agencies	82,133,900	82,133,900
32 State building authority rent - universities	<u>153,218,900</u>	<u>153,218,900</u>

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	GROSS APPROPRIATION	\$ 275,751,700	\$ 275,751,700
2	Appropriated from:		
3	Special revenue funds:		
4	State general fund/general purpose	\$ 275,751,700	\$ 275,751,700
5	Sec. 19-107. CIVIL SERVICE COMMISSION		
6	Full-time equated classified positions.....	470.0	470.0
7	Agency services-113.0 FTE positions	\$ 18,528,000	\$ 18,528,000
8	Employee benefits-29.0 FTE positions	6,747,500	6,747,500
9	Executive direction-35.0 FTE positions	10,022,200	10,022,200
10	Human resources operations-293.0 FTE positions	40,345,800	40,345,800
11	Information technology services and projects	<u>12,222,700</u>	<u>12,222,700</u>
12	GROSS APPROPRIATION	\$ 87,866,200	\$ 87,866,200
13	Appropriated from:		
14	Special revenue funds:		
15	Other state restricted revenues	61,116,600	61,116,600
16	State general fund/general purpose	\$ 26,749,600	\$ 26,749,600
17	Sec. 19-108. CAPITAL OUTLAY		
18	Enterprisewide special maintenance for state		
19	facilities	\$ 24,000,000	\$ 24,000,000
20	Major special maintenance, remodeling, and additions		
21	for state agencies	<u>3,800,000</u>	<u>3,800,000</u>
22	GROSS APPROPRIATION	\$ 27,800,000	\$ 27,800,000
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from other restricted funding	3,800,000	3,800,000
26	Special revenue funds:		
27	State general fund/general purpose	\$ 24,000,000	\$ 24,000,000
28	Sec. 19-109. INFORMATION TECHNOLOGY		
29	Information technology services and projects	<u>53,040,200</u>	<u>53,040,200</u>
30	GROSS APPROPRIATION	\$ 53,040,200	\$ 53,040,200
31	Appropriated from:		
32	Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 IDG from other restricted funding	932,900	932,900
2 Special revenue funds:		
3 Other state restricted revenues	22,153,700	22,153,700
4 State general fund/general purpose	\$ 29,953,600	\$ 29,953,600
5 Sec. 19-110. ONE-TIME APPROPRIATIONS		
6 Election equipment reserve fund	\$ <u>43,164,000</u>	\$ <u>0</u>
7 GROSS APPROPRIATION	\$ 43,164,000	\$ 0
8 Appropriated from:		
9 Special revenue funds:		
10 State general fund/general purpose	\$ 43,164,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$732,981,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$44,164,000.00. 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.....	\$	1,000,000
Election equipment reserve fund.....		<u>43,164,000</u>
TOTAL	\$	44,164,000

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.

Sec. 19-203. As used in this part and part 1:

(a) "AFSCME" means American Federation of State, County, and Municipal Employees.

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

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

(d) "IDG" means interdepartmental grant.

(e) "JCOS" means the joint capital outlay subcommittee.

(f) "MDLEO" means the Michigan department of labor and economic opportunity.

(g) "MDOT" means the Michigan department of transportation.

(h) "MPE" means the Michigan public employees.

(i) "MSF" means the Michigan strategic fund.

(j) "NERE" means nonexclusively represented employees.

(k) "SEIU" means Service Employees International Union.

(l) "SIGMA" means statewide integrated governmental management applications.

(m) "Standard report recipients" means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate

1 and house policy offices, and the state budget office.

2 (n) "UAW" means the United Automobile, Aerospace, and Agricultural implement Workers
3 of America.

4 Sec. 19-204. A department or agency shall use the internet to fulfill the reporting
5 requirements of this part and shall make each report readily accessible to the public and
6 conspicuously post each required report in a single archivable location on the department's
7 or agency's Michigan.gov website not later than the due date required for each report. In
8 addition to placing all reports required in the current fiscal year on the department's or
9 agency's website, the department or agency shall maintain on its website all reports placed
10 on the website from previous fiscal years posted by fiscal year in the same single
11 archivable location. The department or agency shall also transmit all required reports for
12 the current fiscal year to the standard recipients and any other required recipients by
13 email.

14 Sec. 19-205. To the extent permissible under section 261 of the management and budget
15 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
16 appropriated in part 1:

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

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

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

25 Sec. 19-206. (1) The department shall maximize utilization of its in-person state
26 workforce. The department shall prioritize occupancy utilization of office space for each
27 division within the department. Employees with job responsibilities that require the
28 employees to serve in their capacities outside of an office shall be monitored each pay
29 period to ensure all work hours reported on the timesheet were actually worked.

30 (2) The department shall comply with requirements set forth by the office of the
31 state employer on in-person work and utilization and occupancy rates of state buildings to
32 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to

1 market conditions.

2 (3) The department shall adhere to civil service rules and regulations that state the
3 standard biweekly work period for a full-time employee in the classified service of this
4 state is the equivalent of 80.0 hours of work. The department shall establish policies and
5 processes to ensure all employees are working their jobs during agreed upon business hours.

6 Sec. 19-207. 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 and senate appropriations committees. The report must include
13 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. 19-208. Not later than 6 months after the state budget office issues work
19 project letters, a department, agency and the legislature shall submit an annual report
20 that summarizes all work project accounts. The report must include all of the following:

21 (a) A list of all work project accounts.

22 (b) The status of all work project accounts, including amounts expended, amounts
23 encumbered, and available balances for each account.

24 (c) The amount of funds that lapsed from any previously designated work project
25 accounts, the name and description of the work project account, and the funds that received
26 the lapsed amounts.

27 Sec. 19-209. 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 appropriations

1 committees.

2 Sec. 19-210. (1) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$50,000,000.00 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 \$200,000,000.00 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 \$5,000,000.00 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 \$5,000,000.00 for private contingency funds. These funds are not available
17 for 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. 19-211. The department shall maintain a searchable website accessible by the
20 public at no cost that includes, but is not limited to, all of the following for each
21 department or agency:

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

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

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

26 Sec. 19-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
27 a marginalized community's access to government resources, programs, or facilities.

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

30 Sec. 19-213. To the extent permissible under the management and budget act, 1984 PA
31 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
32 appropriations in part 1 shall take all reasonable steps to ensure geographically

1 disadvantaged business enterprises compete for and perform contracts to provide services or
2 supplies, or both. Each director shall strongly encourage firms with which the department
3 or agency contracts to subcontract with certified geographically disadvantaged business
4 enterprises for services, supplies, or both. As used in this section, "geographically
5 disadvantaged business enterprises" means that term as defined in Executive Directive No.
6 2023-1.

7 Sec. 19-214. The department must provide an annual report to the standard report
8 recipients detailing significant federal policy changes that do, or are expected to
9 significantly impact the operations of the department, including reductions in federal
10 revenue and/or changes that are likely to lead to a reduction in the department's ability
11 to safeguard the health or welfare of the public.

12 Sec. 19-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
13 agencies shall provide to the state budget office a jointly agreed upon list of
14 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
15 of 2025. The list must include all information and documents pertaining to the funded items
16 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

17 (2) In accordance with section 364(4) of the Management and Budget Act, the
18 department or agency administering the grant shall post a report in a publicly accessible
19 location on its website beginning March 15 of the current fiscal year. The department or
20 agency shall update the report and shall post an updated report not later than June 15 of
21 the current fiscal year and again not later than September 15 of the current fiscal year.
22 The department shall include in the report the most comprehensive information the
23 department has available at the time of posting for grants awarded.

24 Sec. 19-216. 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. 19-217. The state budget director shall take steps to ensure that all state
31 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
32 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal

1 recovery funds that would otherwise lapse after September 30, 2026, are automatically
2 reappropriated for the same purpose as originally authorized and available for expenditure
3 through December 31, 2026, and any subsequent financial close out period.

4 Sec. 19-218. (1) The state budget director shall take steps to ensure that all state
5 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
6 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
7 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
8 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
9 that may include, but are not limited to, completed projects coming in under budget or
10 funds unable to be fully used by subrecipients. The state budget director shall reallocate
11 any of the funds reallocated under this subsection to the programs or purposes specified in
12 this section. Any funds reallocated are unappropriated and immediately reappropriated for
13 the following purposes:

14 (a) To reclassify general fund/general purpose appropriations for payroll and covered
15 benefits for eligible public health and safety employees at the department of corrections.

16 (b) To reclassify general fund/general purpose appropriations for payroll and covered
17 benefits for eligible public health and safety employees at the department of state police.

18 (2) All applicable guidance, implementation, and reporting provisions of Public Law
19 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
20 subsection (1).

21 (3) The state budget director shall notify the senate and house appropriations
22 committees not later than 10 business days after making any reallocations under subsection
23 (1). The notification must include the authorized program under which funds were originally
24 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
25 department to which the funds are being reallocated under subsection (1), and the amount
26 reallocated to each program or purpose.

27
28 **MANAGEMENT AND BUDGET**

29 Sec. 19-802. Any proceeds that exceed necessary costs incurred in conducting
30 transfers, auctions, direct sales, or scrapping of state surplus property under section 267
31 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
32 department to offset any costs incurred in the acquisition and distribution of surplus

1 property. The department shall provide consolidated internet auction services through this
2 state's contractors for all local units of government.

3 Sec. 19-803. (1) The department may receive and expend funds in addition to those
4 authorized by part 1 for maintenance and operation services provided specifically to other
5 principal executive departments or state agencies, the legislative branch, the judicial
6 branch, or private tenants, or provided in connection with facilities transferred to the
7 operational jurisdiction of the department.

8 (2) The department may receive and expend funds in addition to those authorized by
9 part 1 for real estate, architectural, design, engineering, and project oversight services
10 provided specifically to other principal executive departments or state agencies, the
11 legislative branch, the judicial branch, universities, community colleges, or private
12 tenants.

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

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

19 (5) Any revenue collected by the department from user fees under subsections (1) to
20 (4) must be carried forward and does not lapse to the general fund at the close of the
21 fiscal year.

22 Sec. 19-805. To the extent a specific appropriation is required for a detailed source
23 of financing included in part 1 for the department appropriations financed from special
24 revenue and internal service and pension trust funds, or SIGMA user charges, the specific
25 amounts are appropriated within the special revenue internal service and pension trust
26 funds in portions not to exceed the aggregate amount appropriated in part 1.

27 Sec. 19-807. Funding in part 1 for SIGMA must be funded by proportionate charges
28 assessed against the respective state funds benefiting from the SIGMA project in the
29 amounts determined by the department.

30 Sec. 19-808. (1) A deposit against the IDG from building occupancy and parking
31 charges appropriated in part 1 must be collected, in part, from state agencies, the
32 legislative branch, and the judicial branch based on estimated costs associated with

1 maintenance and operation of buildings managed by the department. To the extent excess
2 revenue is collected due to estimates of building occupancy charges exceeding actual costs,
3 the excess revenue may be carried forward into subsequent fiscal years for the purpose of
4 returning funds to state agencies.

5 (2) An appropriation in part 1 for building occupancy and parking charges may be
6 increased to return excess revenue collected to state agencies.

7 Sec. 19-810. (1) From the funds appropriated in part 1, the department shall maintain
8 an internet website that contains notice of all solicitations, invitations for bids, and
9 requests for proposals over \$50,000.00 that are issued by the department or by any state
10 agency operating under delegated authority, except for solicitations up to \$500,000.00 in
11 accordance with the department policy regarding providing opportunities to Michigan small
12 businesses, geographically disadvantaged business enterprises, Michigan veteran-owned
13 business, Michigan service disabled veteran-owned businesses, or Michigan recognized
14 community rehabilitation organizations, or if the department determines and documents that
15 it is in the best interest of this state. This information must appear on the first page of
16 each department or state agency dashboard.

17 (2) The department shall set the due date for acceptance of an invitation for bid or
18 request for proposal to not less than 14 days after the notice is made available on the
19 internet website described in subsection (1), unless the department determines and
20 documents that a different due date is in the best interest of this state.

21 (3) In addition to the requirements of this section, the department may advertise the
22 solicitations, invitations for bids, and requests for proposals in any manner that the
23 department determines is appropriate to give the greatest number of persons the opportunity
24 to respond or make bids or requests for proposals.

25 (4) A new request for a proposal that is publicly displayed on the internet website
26 must include the proposal's corresponding department or agency. The internet website must
27 allow for the searching of requests for proposals by department or agency.

28 Sec. 19-811. From the funds appropriated in part 1, the department shall maintain a
29 system that interfaces with other departments and agencies to track the performance of
30 vendors in fulfilling contract obligations. The performance of these vendors must be
31 recorded and used as a factor to determine future contracts awarded in the procurement
32 process.

1 Sec. 19-813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the
2 department for administration and the acquisition, lease, operation, maintenance, repair,
3 replacement, and disposal of state motor vehicles.

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

9 (3) The department shall, not later than 90 days after the close of the fiscal year,
10 submit an annual report to the standard report recipients regarding the operation of the
11 motor vehicle fleet. The report must include all of the following:

12 (a) The number of vehicles assigned to, or authorized for use by, state departments
13 and agencies.

14 (b) The number of vehicles in the motor vehicle fleet.

15 (c) The number of miles driven by fleet vehicles.

16 (d) The number of gallons of fuel consumed by fleet vehicles.

17 (e) A description of fleet garage operations.

18 (f) The goods sold and services provided by the fleet garage.

19 (g) The number of employees assigned to each fleet garage.

20 (4) The information provided under subsection (3) may be adjusted during the fiscal
21 year based on needs and cost savings to achieve the maximum value and efficiency from the
22 state motor fleet.

23 (5) The department may charge state agencies for fuel cost increases that exceed 10%
24 of the budgeted price per gallon of motor vehicle fuels. The department shall notify state
25 agencies, in writing or by email, not less than 30 days before implementing additional
26 charges for fuel cost increases. Any revenue received from these charges is appropriated on
27 receipt.

28 (6) The state budget director, on notification to the senate and house of
29 representatives standing committees on appropriations, may adjust spending authorization
30 and the IDG from motor transport fund in the department to ensure that the appropriations
31 for motor vehicle fleet in the department's budget equal the expenditures for motor vehicle
32 fleet in the budgets for all executive branch agencies.

1 Sec. 19-820. The department shall post on its website and make available to the
2 public a list of all parcels of real property owned by this state that are available for
3 purchase.

4 Sec. 19-822c. The funds appropriated in part 1 must not be used to support any staff
5 effort, projects, consultant expenses, or any other activity related to the development,
6 financing, construction, operation, or implementation of the Gordie Howe International
7 Crossing or any successor project unless the approval of the project is enacted into law.

8 Sec. 19-822e. In addition to the funds appropriated in part 1, the funds collected by
9 the department for supplying census-related information and technical services,
10 publications, statistical studies, population projections and estimates, and other
11 demographic products are appropriated for all expenses necessary to provide the required
12 services. These funds are available for expenditure when they are received and may be
13 carried forward into the next fiscal year.

14 Sec. 19-822h. (1) From the funds in part 1 for capital city services, the department
15 shall provide reimbursements to the city of Lansing to provide support for local
16 infrastructure and municipal services, including, but not limited to, maintenance or
17 improvement of local roads, sidewalks, public utility infrastructure, emergency response,
18 traffic management, or other public safety services that support the state capitol and
19 adjacent state facilities.

20 (2) The department shall reimburse the city described in subsection (1) quarterly for
21 eligible expenses if the city of Lansing provides supporting documentation related to the
22 eligible expenses to the department and the eligible expenses are approved for
23 reimbursement.

24 (3) The city of Lansing shall maintain and provide any supporting documentation that
25 is requested for auditing purposes.

26 Sec. 19-822j. (1) The make it in Michigan competitiveness fund is created within the
27 state treasury.

28 (2) Funds may be spent from the make it in Michigan competitiveness fund only on
29 appropriation or administrative transfer pursuant to subsection (3).

30 (3) A transfer of funds from federal or state restricted contingency funds into make
31 it in Michigan may be made by the state budget director not less than 30 days after
32 notifying each member of the senate and house of representatives appropriations committees.

1 Those transfers may be disapproved by either appropriations committee within the 30 days
2 and, if disapproved within that time, are not effective.

3 (4) A transfer approved under this section constitutes authorization to transfer the
4 amount recommended and approved. However, the amount must be reduced by the state budget
5 director to be within the current unobligated amount of the appropriation.

6 (5) Transfers must not be authorized under any of the following circumstances:

7 (a) To create a new line-item appropriation or to create a new state program.

8 (b) To or from an operating appropriation line item that did not appear in the fiscal
9 year appropriation bills for which the transfer is being made.

10 (c) To or from a work project as designated under section 451a of the management and
11 budget act, 1984 PA 431, MCL 18.1451a.

12 (d) Between state governmental funds.

13 (6) Interest and earnings from the investment of funds deposited in the make it in
14 Michigan competitiveness fund must be deposited in the general fund.

15 (7) Funds in the make it in Michigan competitiveness fund at the close of a fiscal
16 year remain in the make it in Michigan competitiveness fund and do not lapse to the general
17 fund.

18 (8) Funds appropriated or transferred from the make it in Michigan competitiveness
19 fund are available to leverage federal funding opportunities that include, but are not
20 limited to, infrastructure, health, public safety, mobility and electrification, climate
21 and the environment, economic development, or other funding opportunities administered by
22 the federal government. Funding opportunities may be in the form of formula or competitive-
23 based grants, cooperative agreements, or contracts, and may include funds contained in the
24 infrastructure investment and jobs act, Public Law 117-58, the CHIPS act of 2022, division
25 A of Public Law 117-167, the inflation reduction act of 2022, Public Law 117-169, or any
26 other federal acts.

27 (9) The Michigan infrastructure office, in collaboration with the state budget
28 director, shall form an interagency evaluation committee that includes the department of
29 environment, Great Lakes, and energy, the MDLEO, the MDOT, the MSF, or other entities at
30 the discretion of the Michigan infrastructure office, to develop program guidelines and
31 selection criteria for the recommended appropriation or transfer of funds. The interagency
32 evaluation committee shall make recommendations to the director of the department and the

1 state budget director on the disbursement of funds. Funding must also be used to cover all
2 costs related to the administration of this section.

3 (10) The department shall inform the legislature not later than 30 days after any
4 federal funds are received that would be used as the basis for recommended appropriations
5 or transfers from the make it in Michigan competitiveness fund.

6 (11) Not later than 90 days after the close of each fiscal year, the department shall
7 report to the legislature on the projects funded with make it in Michigan competitiveness
8 fund money.

9

10 **MEMORIALS**

11 Sec. 19-822k. The department may receive and expend funds from the Vietnam veterans
12 memorial monument fund in accordance with the Michigan Vietnam veterans memorial act, 1988
13 PA 234, MCL 35.1051 to 35.1057. The funds are appropriated and allocated when received by
14 the department and may be expended on receipt.

15 Sec. 19-822l. The Michigan veterans' memorial park commission may receive and expend
16 money from any source, public or private, including, but not limited to, gifts, grants,
17 donations of money, and government appropriations, for the purposes described in Executive
18 Order No. 2001-10. The funds are appropriated and allocated when received by the Michigan
19 veterans' memorial park commission and may be expended on receipt. Any deposit made under
20 this section and any unencumbered funds are restricted revenues and may be carried over
21 into subsequent fiscal years.

22 Sec. 19-822m. In addition to the funds appropriated in part 1, the department may
23 receive and expend money from the Michigan law enforcement officers memorial monument fund
24 in accordance with the Michigan law enforcement officers memorial act, 2004 PA 177, MCL
25 28.781 to 28.786. Any deposit made into the fund is restricted revenues and must be carried
26 over into succeeding fiscal years.

27

28 **INFORMATION TECHNOLOGY**

29 Sec. 19-824. The department may enter into agreements to provide spatial information
30 and technical services to other principal executive departments, state agencies, local
31 units of government, and other organizations. The department may receive and expend funds
32 in addition to those authorized in part 1 for providing information and technical services,

1 publications, maps, and other products. The department may expend amounts received for
2 salaries, supplies, and equipment necessary to provide informational products and technical
3 services.

4 Sec. 19-827. (1) The department shall assess all subscribers of the Michigan public
5 safety communications system reasonable access and maintenance fees and deposit the fees in
6 the Michigan public safety communications systems fees fund.

7 (2) All money received by the department under this section must be expended for the
8 support and maintenance of the Michigan public safety communications system.

9 (3) Any deposits made under this section and unencumbered funds are restricted
10 revenues and must be carried forward into succeeding fiscal years.

11 (4) The department shall prepare a report that indicates the amount of revenue
12 collected under this section and expended for support and maintenance of the Michigan
13 public safety communication system for the immediately preceding 6-month period. The report
14 must be submitted to the standard report recipients not later than April 15.

15 Sec. 19-830. (1) Any revenue collected from licenses issued under the antenna site
16 management project shall be deposited in the antenna site management revolving fund created
17 for this purpose in the department. The department may receive and expend money from the
18 fund for costs associated with the antenna site management project, including the cost of a
19 third-party site manager. Any excess revenue remaining in the fund at the close of the
20 fiscal year must be proportionately transferred to the appropriate state restricted funds
21 as designated in a Public act or the state constitution of 1963.

22 (2) An antenna must not be placed on any site under this section without complying
23 with the respective local zoning codes and local unit of government processes.

24 Sec. 19-833. (1) The state budget director, on notification to the standard report
25 recipients and the senate and house of representatives standing committees on
26 appropriations, may adjust spending authorization and user fees in the department to ensure
27 that the appropriations for information technology in the department equal the
28 appropriations for information technology in the budgets for all executive branch agencies.

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

1 authorization.

2 Sec. 19-837. All information technology projects funded by appropriations in part 1
3 must do both of the following:

4 (a) Use information technology project management best practices and services as
5 defined or recommended by the enterprise portfolio management office of the department.

6 (b) Comply with the requirements of the state unified information technology
7 environment methodology as it applies to all information technology project management
8 processes.

9 Sec. 19-838. (1) The funds appropriated in part 1 for information technology
10 investment fund must be used for the modernization of state information technology systems,
11 improvement of this state's cybersecurity framework, and to achieve efficiencies.

12 (2) The department shall develop a plan regarding the use of the funds appropriated
13 in part 1 for the information technology investment fund.

14 (3) The plan described in subsection (2) must include all of the following:

15 (a) A description of proposed information technology investment projects.

16 (b) The time frame for completion of the information technology investment projects.

17 (c) The initial budgeted amount for each project.

18 (d) The number of employees assigned to implement each information technology
19 investment project.

20 (e) The contracts entered into for each information technology investment project.

21 (f) Any other information the department considers necessary.

22 (4) The department shall submit a report to the standard report recipients that
23 includes the plan and the anticipated spending reductions or overages for each of the
24 proposed information technology investment projects.

25 The report must also include both of the following:

26 (a) A comparison of the initial budgeted amounts and cumulative costs, both by
27 project and in total for all projects.

28 (b) The amount of any transfer of budgeted funds from 1 project to another.

29 (5) The unexpended funds appropriated in part 1 for information technology investment
30 fund are designated as a work project appropriation, and any unencumbered or unallotted
31 funds shall not lapse at the end of the fiscal year, and shall be available for
32 expenditures for projects under this section until the projects have been completed. The

1 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
2 MCL 18.1451a:

3 (a) The purpose of the project is to upgrade various state legacy information
4 technology systems.

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

7 (c) The total estimated cost of the project is \$35,000,000.00.

8 (d) The tentative completion date is September 30, 2031.

9 Sec. 19-839. In addition to the appropriations for information technology investment
10 fund in part 1, there is appropriated related federal and state restricted funds up to the
11 amounts that will be earned based on the initiatives undertaken with the funds in part 1.
12 The state budget director shall determine and authorize the appropriate manner for
13 implementing this section.

14

15 **STATE BUILDING AUTHORITY RENT**

16 Sec. 19-842. (1) Funds appropriated in part 1 for state building authority rent may,
17 in addition to this purpose, be expended for the payment of required premiums for insurance
18 on facilities owned by the state building authority or payment of costs that may be
19 incurred as the result of any deductible provisions in the applicable insurance policies.

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

24

25 **OFFICE OF THE STATE EMPLOYER**

26 Sec. 19-843. (1) The funds appropriated in part 1 for statewide appropriations must
27 be funded by assessments against longevity and insurance appropriations throughout state
28 government in a manner prescribed by the department. The funds must be used as specified in
29 joint labor/management agreements, or through the coordinated compensation hearings
30 process. Any deposits of assessments made under this subsection and any unencumbered funds
31 are restricted revenues, may be carried over into the succeeding fiscal years, and are
32 appropriated.

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

5 Sec. 19-844. In addition to the funds appropriated in part 1, the department may
6 receive and expend funds from other principal executive departments and state agencies to
7 implement administrative leave bank transfer provisions specified in joint labor/management
8 agreements. The funds may also be transferred to other principal executive departments and
9 state agencies under the joint labor/management agreement and any amounts transferred under
10 the joint labor/management agreement are authorized for receipt and expenditure by the
11 receiving principal executive department or state agency. Any funds received by the
12 department under this section and intended, under the joint labor/management agreements, to
13 be available for use beyond the close of the fiscal year, and any unencumbered funds, may
14 be carried over into the next fiscal year.

15 Sec. 19-845. From the funds appropriated in part 1, the office of the state employer
16 shall work with all state departments and agencies to set requirements on in-person work
17 and utilization of state buildings to ensure in-person work completed by state of Michigan
18 non-field employees is optimized and the occupancy rate of state-owned or occupied
19 buildings, subject to market conditions, is 80% or higher.

20
21 **CIVIL SERVICE COMMISSION**

22 Sec. 19-850. (1) In accordance with section 5 of article XI of the state constitution
23 of 1963, all restricted funds must be assessed a sum not less than 1% of the total
24 aggregate payroll paid from those funds for financing the civil service commission on the
25 basis of actual 1% restricted sources total aggregate payroll of the classified service for
26 the preceding fiscal year. This includes, but is not limited to, restricted funds
27 appropriated in part 1 of any appropriations act. The civil service commission shall return
28 any unexpended funds appropriated under this subsection to each 1% fund source not later
29 than 6 months after the end of the fiscal year.

30 (2) The appropriations in part 1 are estimates of actual charges based on payroll
31 appropriations. With the approval of the state budget director, the civil service
32 commission may adjust financing sources for civil service charges based on actual payroll

1 expenditures, if the adjustments do not increase the total appropriation for the civil
2 service commission.

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

5 Sec. 19-851. Except where specifically appropriated for this purpose, financing from
6 restricted sources must be credited to the civil service commission. For restricted sources
7 of funding within the general fund that have the legislative authority for carryover, if
8 current spending authorization or revenues are insufficient to accept the charge, the
9 shortage must be taken from carryforward balances of that funding source. Restricted
10 revenue sources that do not have carryforward authority must be utilized to satisfy civil
11 service commission operating deductions first and civil service commission obligations
12 second. General fund dollars are appropriated for any shortfall, if approved by the state
13 budget director.

14 Sec. 19-852. The appropriation in part 1 to the civil service commission, for state-
15 sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in
16 part, included within the various appropriations throughout state government for the
17 current fiscal year to fund the flexible spending account program included within the civil
18 service commission. Deposits against state-sponsored group insurance, flexible spending
19 accounts, and COBRA for the flexible spending account program must be made from assessments
20 levied during the fiscal year in a manner prescribed by the civil service commission.
21 Unspent employee contributions to the flexible spending accounts may be used to offset
22 administrative costs for the flexible spending account program, and any remaining balance
23 of unspent employee contributions lapses to the general fund.

24

25 **CAPITAL OUTLAY**

26 Sec. 19-860. As used in sections 19-861 through 19-875 of this part:

27 (a) "Board" means the state administrative board created in section 1 of 1921 PA 2,
28 MCL 17.1.

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

1 (c) "University" means a 4-year university supported by this state. University does
2 not include a community college or a state agency.

3 Sec. 19-861. Each capital outlay project authorized in this part and part 1 or any
4 previous capital outlay act shall comply with the procedures required by the management and
5 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

6 Sec. 19-864. The appropriations in part 1 for capital outlay must be carried forward
7 at the end of the fiscal year in accordance with section 248 of the management and budget
8 act, 1984 PA 431, MCL 18.1248.

9 Sec. 19-865. (1) A site preparation economic development fund is created in the
10 department. The Michigan economic development corporation board and the state budget
11 director shall determine whether a specific state-owned site qualifies for inclusion in the
12 site preparation economic development fund.

13 (2) Any proceeds from the sale of an economic development site must be deposited in
14 the site preparation economic development fund and are available for site preparation
15 expenditures, unless otherwise provided by law. The economic development sites are
16 authorized for sale consistent with state law. Expenditures from the site preparation
17 economic development fund are authorized for site preparation activities that enhance the
18 marketable sale value of the economic development sites.

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

21 (4) Not later than December 31, the department shall submit a report to the standard
22 report recipients and the senate and house of representatives standing committees on
23 appropriations that includes both of the following:

24 (a) The revenue and expenditure activity in the site preparation economic development
25 fund for the immediately preceding fiscal year.

26 (b) The sites identified as economic development sites.

27 (5) As used in this section:

28 (a) "Economic development site" means a state-owned site that is declared as surplus
29 property under section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, and
30 would provide economic benefit to the area of the site or to this state.

31 (b) "Site preparation activities" includes, but is not limited to, demolition,
32 environmental studies and abatement, utility enhancement, and site excavation.

1 Sec. 19-866. (1) The energy efficiency revolving fund is created within the state
2 treasury. The state treasurer may receive money or other assets from any source for deposit
3 into the energy efficiency revolving fund. The state treasurer shall direct the investment
4 of the energy efficiency revolving fund. The state treasurer shall credit to the energy
5 efficiency revolving fund interest and earnings from energy efficiency revolving fund
6 investments.

7 (2) Money in the energy efficiency revolving fund at the close of the fiscal year
8 remains in the energy efficiency revolving fund and does not lapse to the general fund.

9 (3) All monies received and deposited from any source into the energy efficiency
10 revolving fund are appropriated to support qualifying projects in accordance with the terms
11 and conditions established in subsections (4) and (5).

12 (4) The department shall provide oversight and direction for the energy efficiency
13 revolving fund, coordinate a call for projects, and prioritize the award of projects that
14 will contribute to a reduction in this state's carbon footprint. State administrative costs
15 must be not more than 10% of the total project cost.

16 (5) The department shall set terms with agencies participating in the energy
17 efficiency revolving fund program that include the scope of each project, funding
18 commitments, data collection and reporting requirements, and any other financial terms
19 related to realization of energy savings related to implementation of the project. The
20 department may enter into a memorandum of understanding to memorialize these terms.

21 (6) Not later than February 1, the department shall submit a report to the standard
22 report recipients on projects funded under this section in the immediately preceding fiscal
23 year. The report must list each approved project, the amount provided from the energy
24 efficiency revolving fund for each project, the department or agency under which the
25 project belongs, anticipated annual savings from each project, and revenue from savings
26 deposited into the energy efficiency revolving fund by project.

27 Sec. 19-867. In addition to the appropriations for special maintenance, remodeling,
28 and additions for state agencies in part 1, there is appropriated related federal and state
29 restricted funds up to the amounts that will be earned based upon the initiatives
30 undertaken with the funds in part 1. The state budget director shall determine and
31 authorize the appropriate manner for implementing this section.

32

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

2 Sec. 19-873. (1) This section applies only to projects for community colleges.

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

10 (3) An expenditure under this part and part 1 is authorized when the release of the
11 appropriation is approved by the board on the recommendation of the director. The director
12 may recommend to the board the release of any appropriation in part 1 only after the
13 director is assured that the legal entity operating the community college to which the
14 appropriation is made has complied with this part and part 1 and has matched the amounts
15 appropriated as required by this part and part 1. A release of funds in part 1 must not
16 exceed 50% of the total cost of planning and construction of any project, not including
17 lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by
18 the legislature. Further planning and construction of a project authorized by this part and
19 part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to
20 18.1594, must be in accordance with the purpose and scope as defined and delineated in the
21 approved program statements and planning documents. This part and part 1 are applicable to
22 all projects for which planning appropriations were made in previous Public acts.

23 (4) The community college shall take the steps necessary to secure available federal
24 construction and equipment money for projects funded for construction in this part and part
25 1 if an application was not previously made. If there is a reasonable expectation that a
26 previous year unfunded application may receive federal money in a subsequent year, the
27 community college shall take whatever action necessary to keep the application active.

28 Sec. 19-874. If university and community college matching revenues are received in an
29 amount less than the appropriations for capital projects contained in this part and part 1,
30 the state funds must be reduced in proportion to the amount of matching revenue received.

31 Sec. 19-875. (1) The director may require that community colleges and universities
32 that have an authorized project described in part 1 submit documentation regarding the

1 project match and governing board approval of the authorized project not more than 60 days
2 after the beginning of the fiscal year.

3 (2) If the documentation required by the director under subsection (1) is not
4 submitted, or does not adequately authenticate the availability of the project match or
5 governing board approval of the authorized project, the director may terminate the
6 authorization. The authorization terminates 30 days after the director notifies the JCOS of
7 the intent to terminate the project unless the JCOS approves an extension of the
8 authorization.

9

10 **ONE-TIME APPROPRIATIONS**

11 Sec. 19-890. (1) From the funds appropriated in part 1 for the election equipment
12 reserve fund, the department shall provide assistance that may include centralized
13 procurement and information technology support in the state's implementation of a uniform
14 voting system and replacement of voting systems in local jurisdictions in accordance with
15 Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

16 (2) Any principal, interest and earnings deposited into the election administration
17 support fund created under section 21-940 of article 21 and federal help America vote act
18 funds, including any interest and earnings, in accordance with 52 U.S.C. 20901-21145 are
19 appropriated for purposes described in this section. The department shall collaborate with
20 other state departments, as appropriate, on the implementation of a uniform voting system
21 and the state budget director is permitted to make the budgetary or accounting transactions
22 necessary to authorize the utilization of these funds in the department or any
23 collaborating department.

24 (3) The unexpended funds appropriated in part 1 for election equipment reserve fund
25 and this section are designated as a work project appropriation, and any unencumbered or
26 unallotted funds shall not lapse at the end of the fiscal year and shall be available for
27 expenditures for projects under this section until the projects have been completed. The
28 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
29 MCL 18.1451a:

30 (a) The purpose of the project is to support the purchase of election equipment for
31 local units government.

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 \$43,164,000.00.

3 (d) The tentative completion date is September 30, 2031.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	DEPARTMENT OF TRANSPORTATION	
2	APPROPRIATION SUMMARY	
3	6.0	6.0
4	3,213.3	3,213.3
5	\$ 8,524,621,400	\$ 8,703,291,700
6	Total interdepartmental grants and intradepartmental	
7	4,555,300	4,555,300
8	\$ 8,520,066,100	\$ 8,698,736,400
9	2,374,354,200	2,374,354,200
10	86,948,500	86,948,500
11	20,500,000	20,500,000
12	6,038,263,400	6,216,933,700
13	\$ 0	\$ 0
14	<i>State general fund/general purpose schedule:</i>	
15	0	0
16	0	0
17	Sec. 20-102. DEBT SERVICE	
18	\$ 3,618,300	\$ 3,618,300
19	3,318,400	3,318,400
20	234,300	234,300
21	77,300	77,300
22	<u>333,554,100</u>	<u>333,554,100</u>
23	\$ 340,802,400	\$ 340,802,400
24	Appropriated from:	
25	Special revenue funds:	
26	340,802,400	340,802,400
27	\$ 0	\$ 0
28	Sec. 20-103. INTERDEPARTMENTAL GRANTS	
29	\$ 225,300	\$ 225,300
30	112,600	112,600
31	54,900	54,900
32	47,800	47,800

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 CTF grant to department of technology, management		
2 and budget	45,400	45,400
3 MTF grant to department of environment, Great Lakes,		
4 and energy	2,277,200	2,277,200
5 MTF grant to department of treasury	3,817,000	3,817,000
6 MTF grant to legislative auditor general	388,200	388,200
7 MTF grant to department of 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	196,900	196,900
11 SAF grant to department of treasury	72,200	72,200
12 SAF grant to legislative auditor general	37,600	37,600
13 SAF grant to department of technology, management		
14 and budget	32,900	32,900
15 STF grant to civil service commission	7,160,100	7,160,100
16 STF grant to department of attorney general	2,269,800	2,269,800
17 STF grant to department of state police	13,807,700	13,807,700
18 STF grant to department of treasury	167,000	167,000
19 STF grant to legislative auditor general	901,600	901,600
20 STF grant to department of technology, management		
21 and budget	<u>1,409,700</u>	<u>1,409,700</u>
22 GROSS APPROPRIATION	\$ 53,163,900	\$ 53,163,900
23 Appropriated from:		
24 Special revenue funds:		
25 Other state restricted revenues	53,163,900	53,163,900
26 State general fund/general purpose	\$ 0	\$ 0
27 Sec. 20-104. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
28 Full-time equated unclassified positions.....	6.0	6.0
29 Full-time equated classified positions.....	315.3	315.3
30 Unclassified salaries-6.0 FTE positions	\$ 1,023,100	\$ 1,023,100
31 Asset management council	2,299,900	2,299,900
32 Business support services-77.0 FTE positions	13,696,500	13,696,500

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Commission audit-29.3 FTE positions	4,976,200	4,976,200
2 Economic development and enhancement programs-11.0		
3 FTE positions	1,916,700	1,916,700
4 Finance, contracts, and support services-198.0		
5 FTE positions	30,444,900	30,444,900
6 Property management	8,616,000	8,616,000
7 Worker's compensation	<u>1,546,300</u>	<u>1,546,300</u>
8 GROSS APPROPRIATION	\$ 64,519,600	\$ 64,519,600
9 Appropriated from:		
10 Interdepartmental grant revenues:		
11 IDG from other restricted funding	4,555,300	4,555,300
12 Special revenue funds:		
13 Other state restricted revenues	59,964,300	59,964,300
14 State general fund/general purpose	\$ 0	\$ 0
15 Sec. 20-105. INFORMATION TECHNOLOGY		
16 Information technology services and projects	<u>\$ 47,931,900</u>	<u>\$ 47,931,900</u>
17 GROSS APPROPRIATION	\$ 47,931,900	\$ 47,931,900
18 Appropriated from:		
19 Federal revenues:		
20 Other federal revenues	536,400	536,400
21 Special revenue funds:		
22 Other state restricted revenues	47,395,500	47,395,500
23 State general fund/general purpose	\$ 0	\$ 0
24 Sec. 20-106. TRANSPORTATION PLANNING		
25 Full-time equated classified positions.....	142.0	142.0
26 Grants to regional planning councils	\$ 488,800	\$ 488,800
27 Planning services-142.0 FTE positions	<u>45,364,700</u>	<u>45,364,700</u>
28 GROSS APPROPRIATION	\$ 45,853,500	\$ 45,853,500
29 Appropriated from:		
30 Federal revenues:		
31 Other federal revenues	26,000,000	26,000,000
32 Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Other state restricted revenues	19,853,500	19,853,500
2 State general fund/general purpose	\$ 0	\$ 0
3 Sec. 20-107. DESIGN AND ENGINEERING SERVICES		
4 Full-time equated classified positions.....	1,654.3	1,654.3
5 Business services-44.8 FTE positions	\$ 11,386,400	\$ 11,386,400
6 Program development and delivery-1,046.5 FTE positions	138,457,700	138,457,700
7 System operations management-563.0 FTE positions	<u>127,255,200</u>	<u>127,255,200</u>
8 GROSS APPROPRIATION	\$ 277,099,300	\$ 277,099,300
9 Appropriated from:		
10 Federal revenues:		
11 Other federal revenues	26,001,600	26,001,600
12 Special revenue funds:		
13 Other state restricted revenues	251,097,700	251,097,700
14 State general fund/general purpose	\$ 0	\$ 0
15 Sec. 20-108. HIGHWAY MAINTENANCE		
16 Full-time equated classified positions.....	911.7	911.7
17 State trunkline operations-911.7 FTE positions	<u>\$ 530,033,300</u>	<u>\$ 530,033,300</u>
18 GROSS APPROPRIATION	\$ 530,033,300	\$ 530,033,300
19 Appropriated from:		
20 Special revenue funds:		
21 Other state restricted revenues	530,033,300	530,033,300
22 State general fund/general purpose	\$ 0	\$ 0
23 Sec. 20-109. ROAD AND BRIDGE PROGRAMS		
24 Cities and villages	\$ 1,112,369,700	\$ 1,158,686,400
25 County road commissions	2,012,101,400	2,096,935,900
26 Grants to local programs	33,000,000	33,000,000
27 Local bridge program	126,550,900	126,347,900
28 Local federal aid and road and bridge construction ...	428,999,800	428,999,800
29 Local agency wetland mitigation bank fund	2,000,000	2,000,000
30 Local grade separation program	40,000,000	40,000,000
31 Movable bridge fund	6,504,600	6,706,200
32 Rail grade crossing	3,000,000	3,000,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Rail grade crossing - surface improvements	3,000,000	3,000,000
2 State trunkline federal aid and road and bridge		
3 construction	<u>1,988,815,500</u>	<u>2,051,175,100</u>
4 GROSS APPROPRIATION	\$ 5,756,341,900	\$ 5,949,851,300
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	1,741,778,500	1,741,778,500
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	3,974,559,900	4,168,069,300
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>\$ 8,013,800</u>	<u>\$ 8,013,800</u>
16 GROSS APPROPRIATION	\$ 8,013,800	\$ 8,013,800
17 Appropriated from:		
18 Special revenue funds:		
19 Other state restricted revenues	8,013,800	8,013,800
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	10,620,800	10,579,300
24 Rural county urban system	2,500,000	2,500,000
25 Target industries/economic redevelopment	24,741,600	24,658,600
26 Urban county congestion	<u>10,620,800</u>	<u>10,579,300</u>
27 GROSS APPROPRIATION	\$ 53,483,200	\$ 53,317,200
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	53,483,200	53,317,200
31 State general fund/general purpose	\$ 0	\$ 0
32 Sec. 20-112. AERONAUTICS SERVICES		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
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>7,953,300</u>	<u>7,953,300</u>
4 GROSS APPROPRIATION	\$ 8,003,300	\$ 8,003,300
5 Appropriated from:		
6 Special revenue funds:		
7 Other state restricted revenues	8,003,300	8,003,300
8 State general fund/general purpose	\$ 0	\$ 0
9 Sec. 20-113. PUBLIC TRANSPORTATION SERVICES		
10 Full-time equated classified positions.....	50.0	50.0
11 Passenger transportation services-50.0 FTE positions .	<u>\$ 8,092,400</u>	<u>\$ 8,092,400</u>
12 GROSS APPROPRIATION	\$ 8,092,400	\$ 8,092,400
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	6,092,400	6,092,400
18 State general fund/general purpose	\$ 0	\$ 0
19 Sec. 20-114. LOCAL BUS TRANSIT		
20 Local bus operating	\$ 315,000,000	\$ 315,000,000
21 Nonurban operating/capital	<u>41,935,500</u>	<u>41,935,500</u>
22 GROSS APPROPRIATION	\$ 356,935,500	\$ 356,935,500
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	39,935,500	39,935,500
26 Special revenue funds:		
27 Local revenues	2,000,000	2,000,000
28 Other state restricted revenues	315,000,000	315,000,000
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, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Freight property management	1,300,000	1,300,000
2 Intercity services	10,865,700	10,865,700
3 Office of rail-41.0 FTE positions	7,587,000	7,587,000
4 Rail operations and infrastructure	<u>219,388,500</u>	<u>219,388,500</u>
5 GROSS APPROPRIATION	\$ 239,741,200	\$ 239,741,200
6 Appropriated from:		
7 Federal revenues:		
8 Other federal revenues	106,429,700	106,429,700
9 Special revenue funds:		
10 Local revenues	260,000	260,000
11 Private revenues	4,500,000	4,500,000
12 Other state restricted revenues	128,551,500	128,551,500
13 State general fund/general purpose	\$ 0	\$ 0
14 Sec. 20-116. PUBLIC TRANSPORTATION DEVELOPMENT		
15 Full-time equated classified positions.....	4.0	4.0
16 Infrastructure projects authority program	\$ 65,000,000	\$ 65,000,000
17 Intermodal capital	298,832,200	298,832,200
18 Maritime and ports facility assistance program-4.0		
19 FTE positions	5,294,700	5,294,700
20 Municipal credit program	2,000,000	2,000,000
21 Service initiatives	6,300,000	6,300,000
22 Specialized services	30,615,900	30,615,900
23 Van pooling	<u>300,000</u>	<u>300,000</u>
24 GROSS APPROPRIATION	\$ 408,342,800	\$ 408,342,800
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	161,672,500	161,672,500
28 Special revenue funds:		
29 Local revenues	37,185,000	37,185,000
30 Private revenues	4,000,000	4,000,000
31 Other state restricted revenues	205,485,300	205,485,300
32 State general fund/general purpose	\$ 0	\$ 0

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1	Sec. 20-117. CAPITAL OUTLAY	
2	(1) BUILDINGS AND FACILITIES	
3	Special maintenance, remodeling and additions	\$ 5,350,500 \$ 5,350,500
4	Salt storage buildings and containment control	<u>3,300,000</u> <u>3,300,000</u>
5	GROSS APPROPRIATION	\$ 8,650,500 \$ 8,650,500
6	Appropriated from:	
7	Special revenue funds:	
8	Other state restricted revenues	8,650,500 8,650,500
9	State general fund/general purpose	\$ 0 \$ 0
10	(2) AIRPORT IMPROVEMENT PROGRAMS	
11	Airport safety, protection, and improvement program ..	\$ 181,309,800 \$ 181,309,800
12	Detroit Metropolitan Wayne County Airport	6,435,000 6,630,000
13	IIJA airport infrastructure grants	<u>115,000,000</u> <u>115,000,000</u>
14	GROSS APPROPRIATION	\$ 302,744,800 \$ 302,939,800
15	Appropriated from:	
16	Federal revenues:	
17	Other federal revenues	270,000,000 270,000,000
18	Special revenue funds:	
19	Local revenues	17,500,000 17,500,000
20	Private revenues	2,000,000 2,000,000
21	Other state restricted revenues	13,244,800 13,439,800
22	State general fund/general purpose	\$ 0 \$ 0
23	Sec. 20-118. ONE-TIME APPROPRIATIONS	
24	Coloma salt storage building	\$ 5,168,100 \$ 0
25	Facilities capital outlay	5,600,000 0
26	Great Lakes Tunnel Project - phase II oversight	<u>4,100,000</u> <u>0</u>
27	GROSS APPROPRIATION	\$ 14,868,100 \$ 0
28	Appropriated from:	
29	Special revenue funds:	
30	Other state restricted revenues	14,868,100 0
31	State general fund/general purpose	\$ 0 \$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$6,038,263,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$3,907,129,900.00. 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.....		1,112,369,700
County road commissions.....		2,012,101,400
Grants to local programs.....		33,000,000
Local agency wetland mitigation bank fund.....		2,000,000
Local bridge program.....		126,550,900
Local grade separation program.....		40,000,000
Movable bridge fund.....		3,252,300
Rail grade crossing.....		1,500,000
Rail grade crossing - surface improvements.....		3,000,000
Forest roads.....		5,000,000
Rural county primary.....		10,620,800
Rural county urban system.....		2,500,000
Target industries/economic redevelopment.....		15,339,800
Urban county congestion.....		10,620,800
Air service program.....		50,000
Local bus operating.....		315,000,000
Detroit/Wayne County Port Authority.....		600,000
Infrastructure projects authority program.....		65,000,000
Intermodal capital.....		118,890,600
Municipal credit program.....		2,000,000

1	Service initiatives.....	1,000,000
2	Specialized services.....	13,000,000
3	Airport safety, protection, and improvement program.....	6,809,800
4	Detroit Metropolitan Wayne County Airport.....	<u>6,435,000</u>
5	TOTAL	\$ 3,907,129,900

6 Sec. 20-202. The appropriations under this part and part 1 are subject to the
7 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

8 Sec. 20-203. As used in this part and part 1:

- 9 (a) "CTF" means comprehensive transportation fund.
- 10 (b) "Department" means the state transportation department.
- 11 (c) "FTE" means full-time equated.
- 12 (d) "IDG" means interdepartmental grant.
- 13 (e) "IIJA" means the infrastructure investment and jobs act, 2021, Public Law 117-58.
- 14 (f) "MTF" means Michigan transportation fund.
- 15 (g) "SAF" means state aeronautics fund.
- 16 (h) "Standard report recipients" means the senate and house appropriations
17 subcommittees on transportation, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office.
- 19 (i) "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 and shall make each report readily accessible to the public and
22 conspicuously post each required report in a single archivable location on the department's
23 or agency's Michigan.gov website not later than the due date required for each report. In
24 addition to placing all reports required in the current fiscal year on the department's or
25 agency's website, the department or agency shall maintain on its website all reports placed
26 on the website from previous fiscal years posted by fiscal year in the same single
27 archivable location. The department or agency shall also transmit all required reports for
28 the current fiscal year to the standard recipients and any other required recipients by
29 email.

30 Sec. 20-205. To the extent permissible under section 261 of the management and budget
31 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
32 appropriated in part 1:

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

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

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

9 Sec. 20-206. (1) The department shall maximize utilization of its in-person state
10 workforce. The department shall prioritize occupancy utilization of office space for each
11 division within the department. Employees with job responsibilities that require the
12 employees to serve in their capacities outside of an office shall be monitored each pay
13 period to ensure all work hours reported on the timesheet were actually worked.

14 (2) The department shall comply with requirements set forth by the office of the
15 state employer on in-person work and utilization and occupancy rates of state buildings to
16 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
17 market conditions.

18 (3) The department shall adhere to civil service rules and regulations that state the
19 standard biweekly work period for a full-time employee in the classified service of this
20 state is the equivalent of 80.0 hours of work. The department shall establish policies and
21 processes to ensure all employees are working their jobs during agreed upon business hours.

22 Sec. 20-207. Consistent with section 217 of the management and budget act, 1984 PA
23 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
24 prepare a report on out of state travel expenses not later than January 1. The report must
25 list all travel by classified and unclassified employees outside this state in the previous
26 fiscal year that was funded in whole or in part with funds appropriated in the department's
27 or agency's budget. The department or agency shall submit the report to the standard report
28 recipients and to the house and senate appropriations committees. The report must include
29 all of the following information:

30 (a) The dates of each travel occurrence.

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

1 revenues, federal revenues, and other revenues.

2 Sec. 20-208. Not later than 6 months after the state budget office issues work
3 project letters, a department, agency and the legislature shall submit an annual report
4 that summarizes all work project accounts. The report must include all of the following:

5 (a) A list of all work project accounts.

6 (b) The status of all work project accounts, including amounts expended, amounts
7 encumbered, and available balances for each account.

8 (c) The amount of funds that lapsed from any previously designated work project
9 accounts, the name and description of the work project account, and the funds that received
10 the lapsed amounts.

11 Sec. 20-209. 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 appropriations
17 committees.

18 Sec. 20-210. (1) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$500,000,000.00 for federal contingency funds. These
20 funds are not available for expenditure until they have been transferred to another line
21 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
22 MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
24 not to exceed \$40,000,000.00 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 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
28 not to exceed \$1,000,000.00 for local contingency funds. These funds are not available for
29 expenditure until they have been transferred to another line item in this article under
30 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

31 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
32 not to exceed \$11,000,000.00 for private contingency funds. These funds are not available

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

3 Sec. 20-211. A department or agency shall cooperate with the department of
4 technology, management and budget to maintain a searchable website accessible by the public
5 at no cost that includes, but is not limited to, all of the following for each department
6 or agency:

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

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

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

11 Sec. 20-212. (1) Funds appropriated in part 1 must not be used to restrict or impede
12 a marginalized community's access to government resources, programs, or facilities.

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

15 Sec. 20-213. 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. 20-214. The department must provide an annual report to the standard report
25 recipients detailing significant federal policy changes that do, or are expected to
26 significantly impact the operations of the department, including reductions in federal
27 revenue and/or changes that are likely to lead to a reduction in the department's ability
28 to safeguard the health or welfare of the public.

29 Sec. 20-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
30 agencies shall provide to the state budget office a jointly agreed upon list of
31 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
32 of 2025. The list must include all information and documents pertaining to the funded items

1 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

2 (2) In accordance with section 364(4) of the Management and Budget Act, the
3 department or agency administering the grant shall post a report in a publicly accessible
4 location on its website beginning March 15 of the current fiscal year. The department or
5 agency shall update the report and shall post an updated report not later than June 15 of
6 the current fiscal year and again not later than September 15 of the current fiscal year.
7 The department shall include in the report the most comprehensive information the
8 department has available at the time of posting for grants awarded.

9 Sec. 20-216. On a quarterly basis, a department or agency receiving appropriations in
10 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
11 classification, including comparison by line item of the number of FTEs authorized from
12 funds appropriated in part 1 to the actual number of FTE positions employed by the
13 department or agency at the end of the reporting period. The report must be submitted to
14 the senate and house appropriations committees and to the standard report recipients.

15 Sec. 20-217. The state budget director shall take steps to ensure that all state
16 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
17 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
18 recovery funds that would otherwise lapse after September 30, 2026, are automatically
19 reappropriated for the same purpose as originally authorized and available for expenditure
20 through December 31, 2026, and any subsequent financial close out period.

21 Sec. 20-218. (1) The state budget director shall take steps to ensure that all state
22 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
23 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
24 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
25 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
26 that may include, but are not limited to, completed projects coming in under budget or
27 funds unable to be fully used by subrecipients. The state budget director shall reallocate
28 any of the funds reallocated under this subsection to the programs or purposes specified in
29 this section. Any funds reallocated are unappropriated and immediately reappropriated for
30 the following purposes:

31 (a) To reclassify general fund/general purpose appropriations for payroll and covered
32 benefits for eligible public health and safety employees at the department of corrections.

1 (b) To reclassify general fund/general purpose appropriations for payroll and covered
2 benefits for eligible public health and safety employees at the department of state police.

3 (2) All applicable guidance, implementation, and reporting provisions of Public Law
4 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
5 subsection (1).

6 (3) The state budget director shall notify the senate and house appropriations
7 committees not later than 10 business days after making any reallocations under subsection
8 (1). The notification must include the authorized program under which funds were originally
9 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
10 department to which the funds are being reallocated under subsection (1), and the amount
11 reallocated to each program or purpose.

12

13 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

14 Sec. 20-301. The department may establish a fee schedule and collect fees sufficient
15 to cover the costs to issue the permits that the department is authorized by law to issue
16 on request, unless otherwise stipulated by law. All permit fees are nonrefundable
17 application fees and must be credited to the appropriate fund to recover the direct and
18 indirect costs of receiving, reviewing, and processing the requests.

19 Sec. 20-304. If, as a requirement of bidding on a highway project, the department
20 requires a contractor to submit financial or proprietary documentation as to how the bid
21 was calculated, the department shall keep that bid documentation confidential and shall not
22 disclose that bid documentation other than to a department representative without the
23 contractor's written consent. The department may disclose the bid documentation if
24 necessary to address or defend a claim by a contractor.

25 Sec. 20-306. (1) The amounts appropriated in part 1 to support tax and fee
26 collection, law enforcement, and other program services provided to the department and to
27 transportation funds by other state departments must be expended from transportation funds
28 pursuant to annual contracts between the department and those other state departments. The
29 contracts must be executed before the expenditure or obligation of those funds. The
30 contracts must provide, but are not limited to, the following data applicable to each state
31 department:

32 (a) Estimated costs to be recovered from transportation funds.

1 (b) Description of services provided to the department and/or transportation funds
2 and financed with transportation funds.

3 (c) Detailed cost allocation methods appropriate to the type of services being
4 provided and the activities financed with transportation funds.

5 (2) Not later than 2 months after publication of the state of Michigan annual
6 comprehensive financial report, each state department receiving funding pursuant to an
7 interdepartment contract with the department shall submit a written report to the
8 department, the state budget director, the senate and house fiscal agencies, and the
9 auditor general stating by spending authorization account the amount of estimated funds
10 contracted with the department, the amount of funds expended, the amount of funds returned
11 to the transportation funds, and any unreimbursed transportation-related costs incurred but
12 not billed to transportation funds.

13 Sec. 20-307. Before March 1, the department shall provide to the standard report
14 recipients its rolling 5-year plan listing by county or by county road commission all
15 highway construction projects for the fiscal year and all expected projects for the ensuing
16 fiscal years.

17 Sec. 20-310. The department shall post in a timely manner copies of the agenda,
18 approved minutes, and audio recording of state transportation commission meetings.

19 Sec. 20-313. (1) From funds appropriated in part 1, the department may increase a
20 state infrastructure bank program and grant or loan funds in accordance with regulations of
21 the state infrastructure bank program of the United States Department of Transportation.
22 The department shall administer the state infrastructure bank for the purpose of providing
23 a revolving, self-sustaining resource for financing transportation infrastructure projects.

24 (2) In addition to funds provided in subsection (1), money received by this state as
25 federal grants, repayment of state infrastructure bank loans, or other reimbursement or
26 revenue received by this state as a result of projects funded by the program and interest
27 earned on that money must be deposited in the revolving state infrastructure bank fund and
28 must be available for transportation infrastructure projects. At the close of the fiscal
29 year, any unencumbered funds remaining in the state infrastructure bank fund remain in the
30 fund and carry forward into the succeeding fiscal year.

31 (3) The department shall prepare a report on the status of the state infrastructure
32 bank and submit the report to the standard report recipients on or before December 31,

1 2026. The report must include all of the following:

2 (a) The balance in the state infrastructure bank on September 30, 2026, including a
3 breakdown of the balance by cash and cash equivalents, outstanding loans, and balance
4 available for loan to local agencies.

5 (b) A breakdown of the state infrastructure loan balance by amounts originating from
6 federal sources and the amounts originating from nonfederal sources.

7 (c) A list of outstanding loans by agency, original loan amount, project description,
8 loan term, and amount outstanding.

9 Sec. 20-314. (1) The MI contracting opportunity loan fund is created within the state
10 treasury.

11 (2) Funds deposited into the MI contracting opportunity loan fund originally created
12 in section 1003 of article 15 of 2024 PA 121 or money received by the state as repayment of
13 loans or interest earned on loan funds is appropriated and shall be available for future
14 loans.

15 (3) At the close of the fiscal year, any unencumbered funds remaining in the fund
16 shall be carried forward into the succeeding fiscal year.

17 Sec. 20-315. The department shall use any additional funds in the moveable bridge
18 fund to cover other costs for any required local federal bridge load analysis, inspection,
19 or other local federal mandate.

20 Sec. 20-383. (1) The department shall prepare a report on the use of department-owned
21 aircraft during the fiscal year ending September 30, 2026. With respect to each department-
22 owned aircraft, the report must include all of the following:

23 (a) Total hours of usage.

24 (b) Description of specific flights, including dates of travel, names of passengers,
25 including state agency, university, or local government affiliation, travel origin and
26 destination, and total estimated costs associated with the air travel.

27 (2) The department shall submit the report as required under section 205 no later
28 than February 1, 2027.

29 (3) The department shall maintain a system for recovering the cost of operating
30 department-owned aircraft through charges to aircraft users.

31 Sec. 20-384. (1) Except as otherwise provided in subsection (2), the department shall
32 not obligate this state to expend any state transportation revenue for construction

1 planning or construction of the Gordie Howe International Crossing or a renamed successor.
2 In addition, except as provided in subsection (2), the department shall not commit this
3 state to any new contract related to the construction planning or construction of the
4 Gordie Howe International Crossing or a renamed successor that would obligate this state to
5 expend any state transportation revenue. An expenditure for staff resources used in
6 connection with project activities that is subject to full and prompt reimbursement from
7 Canada is not considered an expenditure of state transportation revenue.

8 (2) If the legislature enacts specific enabling legislation for the construction of
9 the Gordie Howe International Crossing or a renamed successor, subsection (1) does not
10 apply once the enabling legislation goes into effect.

11 Sec. 20-385. (1) The department shall submit monthly reports to the standard report
12 recipients, the speaker of the house of representatives, the house of representatives
13 minority leader, the senate majority leader, and the senate minority leader on all of the
14 following:

- 15 (a) All expenditures made by this state related to the Gordie Howe Bridge.
- 16 (b) All reimbursements made by Canada under section 384(1) of this part to this state
17 for expenditures for staff resources used in connection with project activities.
- 18 (c) All eminent domain and condemnation powers used, the related real estate involved
19 in any governmental taking, the price paid for those properties, and the beneficiary's name
20 or associated corporation.

21 (2) The department shall submit the initial report required under subsection (1) on
22 or before December 1. The initial report must cover the prior fiscal year.

23 Sec. 20-395. From the funds appropriated in part 1 for state trunkline federal aid
24 road and bridge construction, the department may expend up to \$10,000,000.00 on highway
25 maintenance activities to support safety-related, high-priority, and other deferred routine
26 maintenance needs on the state trunkline network.

27 Sec. 20-398. The department shall continue to work to eliminate fatalities and
28 serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths
29 statewide safety campaign.

30

31 **MICHIGAN TRANSPORTATION FUND**

32 Sec. 20-501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1

1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or
2 the department of state police is deposited in the Michigan transportation fund.

3 Sec. 20-502. At the close of the fiscal year, any unencumbered and unexpended balance
4 in the movable bridge fund remains in the movable bridge fund and carries forward and is
5 appropriated for the purposes described in section 11g(3)(b) of 1951 PA 51.

6 Sec. 20-503. (1) At the close of the fiscal year, funds appropriated in part 1 for
7 the transportation economic development program shall lapse to the transportation economic
8 development fund.

9 (2) At the close of the fiscal year, funds appropriated in part 1 for the local
10 bridge program shall carry forward and are appropriated for the purposes defined in section
11 10(5) of 1951 PA 51, MCL 247.660.

12 (3) Interest earned in the transportation economic development fund and local bridge
13 fund shall remain in the respective funds and shall be allocated to the respective programs
14 based on actual interest earned at the end of each fiscal year.

15 (4) In addition to the funds appropriated in part 1, the transportation economic
16 development fund and local bridge fund may receive federal, local, or private funds or
17 restricted source funds such as interest earnings. These funds are appropriated for
18 projects that are consistent with the purposes of the respective funds.

19 (5) None of the funds statutorily dedicated to the transportation economic
20 development fund and local bridge fund shall be diverted to other projects.

21 Sec. 20-504. Funds from the Michigan transportation fund must be distributed to the
22 comprehensive transportation fund, the economic development fund, the recreation
23 improvement fund, and the state trunkline fund, in accordance with this part and part 1 and
24 part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL
25 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA
26 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental
27 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

28

29 **STATE TRUNKLINE FUND**

30 Sec. 20-604. At the close of the fiscal year, any unencumbered and unexpended balance
31 in the state trunkline fund remains in the state trunkline fund and carries forward and is
32 appropriated for federal aid road and bridge programs for projects contained in the annual

1 state transportation program.

2

3 **NEIGHBORHOOD ROADS FUND**

4 Sec. 20-651. Funds from the neighborhood roads fund must be distributed and are
5 appropriated to the local grade separation fund, comprehensive transportation fund,
6 infrastructure projects authority fund, and the state trunkline fund, in accordance with
7 this part and part 1 and section 13c of 1951 PA 51.

8 Sec. 20-652. At the close of the fiscal year, any unencumbered and unexpended balance
9 in the neighborhood roads fund not previously allocated under sections (a) through (e) of
10 section 13c(5) of 1951 PA 51 remains in the neighborhood roads fund and carries forward and
11 is appropriated to local road agencies and the state trunkline fund according to section
12 13c(5) of 1951 PA 51.

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, 2027, the appropriation to a
15 street 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.

16

17 **ONE-TIME APPROPRIATIONS**

18 Sec. 20-1001. The unexpended funds appropriated in part 1 for Great Lakes Tunnel
19 project - phase II oversight are designated as a work project appropriation, and any
20 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be
21 available for expenditures for projects under this section until the projects have been
22 completed. The following is in compliance with section 451a of the management and budget
23 act, 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the work project is to support planning, construction oversight,
25 and administration of the Great Lakes Tunnel Project by the Mackinac Straits Corridor
26 Authority, in accordance with section 14d of 1952 PA 214, MCL 254.324d.

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

29 (c) The total estimated cost of the project is \$4,100,000.00.

30 (d) The tentative completion date is September 30, 2031.

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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, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, 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, 2027	For Fiscal Year Ending Sept. 30, 2028
1	DEPARTMENT OF TREASURY	
2	APPROPRIATION SUMMARY	
3	10.0	10.0
4	1,970.5	1,970.5
5	\$ 2,674,364,000	\$ 2,694,832,200
6		
7	12,285,700	12,285,700
8	\$ 2,662,078,300	\$ 2,682,546,500
9	25,322,400	25,322,400
10	16,204,300	16,204,300
11	44,300	44,300
12	2,324,800,500	2,345,268,700
13	\$ 295,706,800	\$ 295,706,800
14	<i>State general fund/general purpose schedule:</i>	
15	295,706,800	295,706,800
16	0	0
17	Sec. 21-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	10.0	10.0
19	461.5	461.5
20	\$ 1,350,400	\$ 1,350,400
21		
22	10,382,900	10,382,900
23	4,437,300	4,437,300
24	29,845,500	29,845,500
25	10,300,500	10,300,500
26	5,368,200	5,368,200
27		
28	4,114,400	4,114,400
29	6,307,100	6,307,100
30	5,824,000	5,824,000
31	<u>19,100</u>	<u>19,100</u>
32	\$ 77,949,400	\$ 77,949,400

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from department of health and human services	846,500	846,500
4	IDG from other restricted funding	7,112,500	7,112,500
5	Federal revenues:		
6	Other federal revenues	1,074,400	1,074,400
7	Special revenue funds:		
8	Local revenues	140,500	140,500
9	Other state restricted revenues	54,433,900	54,433,900
10	State general fund/general purpose	\$ 14,341,600	\$ 14,341,600
11	Sec. 21-103. LOCAL GOVERNMENT PROGRAMS		
12	Full-time equated classified positions.....	102.0	102.0
13	Flint settlement payment	\$ 35,000,000	\$ 35,000,000
14	Local finance-18.0 FTE positions	2,633,600	2,633,600
15	Michigan infrastructure council-3.0 FTE positions	3,039,000	3,039,000
16	Property tax assessor training-1.0 FTE position	802,900	802,900
17	Supervision of the general property tax law-80.0		
18	FTE positions	<u>18,843,800</u>	<u>18,843,800</u>
19	GROSS APPROPRIATION	\$ 60,319,300	\$ 60,319,300
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from department of transportation	256,600	256,600
23	Special revenue funds:		
24	Local revenues	1,574,500	1,574,500
25	Other state restricted revenues	4,383,400	4,383,400
26	State general fund/general purpose	\$ 54,104,800	\$ 54,104,800
27	Sec. 21-104. TAX PROGRAMS		
28	Full-time equated classified positions.....	756.0	756.0
29	Bottle act implementation	\$ 250,000	\$ 250,000
30	Home heating assistance	3,139,700	3,139,700
31	Insurance provider assessment program-8.0		
32	FTE positions	2,253,900	2,253,900

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028	
1	Living donor tax credit	750,000	750,000
2	Office of revenue and tax analysis-25.0 FTE positions	4,933,600	4,933,600
3	Tax administration services-362.0 FTE positions	48,457,200	48,457,200
4	Tax and economic policy-74.0 FTE positions	14,251,000	14,251,000
5	Tax compliance-266.0 FTE positions	43,174,200	43,174,200
6	Tobacco tax enforcement-21.0 FTE positions	<u>3,110,900</u>	<u>3,110,900</u>
7	GROSS APPROPRIATION	\$ 120,320,500	\$ 120,320,500
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from department of transportation	3,020,100	3,020,100
11	Federal revenues:		
12	Other federal revenues	3,139,700	3,139,700
13	Special revenue funds:		
14	Other state restricted revenues	88,801,200	88,801,200
15	State general fund/general purpose	\$ 25,359,500	\$ 25,359,500
16	Sec. 21-105. FINANCIAL PROGRAMS		
17	Full-time equated classified positions.....	134.0	134.0
18	Investments-81.0 FTE positions	\$ 23,031,900	\$ 23,031,900
19	Saving, access and financial empowerment-34.0		
20	FTE positions	20,518,100	20,518,100
21	State and authority finance-19.0 FTE positions	<u>4,816,100</u>	<u>4,816,100</u>
22	GROSS APPROPRIATION	\$ 48,366,100	\$ 48,366,100
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from other restricted funding	215,600	215,600
26	Federal revenues:		
27	Other federal revenues	20,518,100	20,518,100
28	Special revenue funds:		
29	Other state restricted revenues	27,079,600	27,079,600
30	State general fund/general purpose	\$ 552,800	\$ 552,800
31	Sec. 21-106. DEBT SERVICE		
32	Clean Michigan initiative	\$ 7,098,000	\$ 7,098,000

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Great Lakes water quality bond	89,761,000	89,761,000
2 Quality of life bond	<u>620,000</u>	<u>620,000</u>
3 GROSS APPROPRIATION	\$ 97,479,000	\$ 97,479,000
4 Appropriated from:		
5 Special revenue funds:		
6 State general fund/general purpose	\$ 97,479,000	\$ 97,479,000
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	49,147,300	49,147,300
11 Health and safety fund grants	1,220,900	1,220,900
12 Qualified heavy equipment rental personal property		
13 exemption reimbursement distribution.....	27,000,000	27,000,000
14 Recreational marihuana grants	94,300,000	94,300,000
15 Senior citizen cooperative housing tax exemption		
16 program.....	12,525,400	12,525,400
17 Wrongful imprisonment compensation fund	<u>10,000,000</u>	<u>10,000,000</u>
18 GROSS APPROPRIATION	\$ 343,179,800	\$ 343,179,800
19 Appropriated from:		
20 Special revenue funds:		
21 Other state restricted revenues	300,398,900	300,398,900
22 State general fund/general purpose	\$ 42,780,900	\$ 42,780,900
23 Sec. 21-108. BUREAU OF STATE LOTTERY		
24 Full-time equated classified positions.....	210.0	210.0
25 Lottery information technology services and projects .	\$ 3,886,200	\$ 3,886,200
26 Lottery operations-210.0 FTE positions	<u>35,031,100</u>	<u>35,031,100</u>
27 GROSS APPROPRIATION	\$ 38,917,300	\$ 38,917,300
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	38,917,300	38,917,300
31 State general fund/general purpose	\$ 0	\$ 0
32 Sec. 21-109. MICHIGAN GAMING CONTROL BOARD		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Full-time equated classified positions.....	227.0	227.0
2 Casino gaming control operations-201.0 FTE positions .	\$ 44,067,300	\$ 44,067,300
3 Gaming control information technology services and		
4 projects.....	6,015,900	6,015,900
5 Horse racing-6.0 FTE positions	2,169,700	2,169,700
6 Michigan gaming control board	113,500	113,500
7 Millionaire party regulation-20.0 FTE positions	<u>3,302,100</u>	<u>3,302,100</u>
8 GROSS APPROPRIATION	\$ 55,668,500	\$ 55,668,500
9 Appropriated from:		
10 Special revenue funds:		
11 Other state restricted revenues	55,668,500	55,668,500
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	14,201,700	14,201,700
16 Swamp and tax reverted lands	<u>23,977,800</u>	<u>23,977,800</u>
17 GROSS APPROPRIATION	\$ 41,783,400	\$ 41,783,400
18 Appropriated from:		
19 Special revenue funds:		
20 Private revenues	44,300	44,300
21 Other state restricted revenues	8,848,800	8,848,800
22 State general fund/general purpose	\$ 32,890,300	\$ 32,890,300
23 Sec. 21-111. REVENUE SHARING		
24 City, village, and township revenue sharing	\$ 333,547,300	\$ 333,547,300
25 Constitutional state general revenue sharing grants ..	1,045,337,700	1,068,305,900
26 County revenue sharing	291,111,400	291,111,400
27 Financially distressed cities, villages, or townships	2,500,000	2,500,000
28 Public safety revenue sharing grants	<u>50,000,000</u>	<u>50,000,000</u>
29 GROSS APPROPRIATION	\$ 1,722,496,400	\$ 1,745,464,600
30 Appropriated from:		
31 Special revenue funds:		
32 Sales tax	1,722,496,400	1,745,464,600

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 State general fund/general purpose	\$ 0	\$ 0
2 Sec. 21-112. STATE BUILDING AUTHORITY		
3 Full-time equated classified positions.....	4.0	4.0
4 State building authority-4.0 FTE positions	\$ <u>1,034,800</u>	\$ <u>1,034,800</u>
5 GROSS APPROPRIATION	\$ 1,034,800	\$ 1,034,800
6 Appropriated from:		
7 Special revenue funds:		
8 Other state restricted revenues	1,034,800	1,034,800
9 State general fund/general purpose	\$ 0	\$ 0
10 Sec. 21-113. CITY INCOME TAX ADMINISTRATION PROGRAM		
11 Full-time equated classified positions.....	76.0	76.0
12 City income tax administration program-76.0 FTE		
13 positions	\$ <u>12,214,800</u>	\$ <u>12,214,800</u>
14 GROSS APPROPRIATION	\$ 12,214,800	\$ 12,214,800
15 Appropriated from:		
16 Special revenue funds:		
17 Local revenues	12,214,800	12,214,800
18 State general fund/general purpose	\$ 0	\$ 0
19 Sec. 21-114. INFORMATION TECHNOLOGY		
20 Treasury operations information technology services		
21 and projects	\$ <u>52,134,700</u>	\$ <u>52,134,700</u>
22 GROSS APPROPRIATION	\$ 52,134,700	\$ 52,134,700
23 Appropriated from:		
24 Interdepartmental grant revenues:		
25 IDG from department of transportation	834,400	834,400
26 Federal revenues:		
27 Other federal revenues	590,200	590,200
28 Special revenue funds:		
29 Local revenues	2,274,500	2,274,500
30 Other state restricted revenues	20,237,700	20,237,700
31 State general fund/general purpose	\$ 28,197,900	\$ 28,197,900
32 Sec. 21-115. ONE-TIME APPROPRIATIONS		

	For Fiscal Year Ending Sept. 30, 2027	For Fiscal Year Ending Sept. 30, 2028
1 Gaming control information technology services		
2 and projects	\$ <u>2,500,000</u>	\$ <u>0</u>
3 GROSS APPROPRIATION	\$ 2,500,000	\$ 0
4 Appropriated from:		
5 Special revenue funds:		
6 Other state restricted revenues	2,500,000	0
7 State general fund/general purpose	\$ 0	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

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 ending September 30, 2027 is \$2,620,507,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is \$2,123,175,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TREASURY

Convention facility development distribution.....	\$	128,730,700
Emergency 911 payments.....		49,118,600
Health and safety fund grants.....		1,220,900
Qualified heavy equipment rental personal property exemption reimbursement distribution.....		27,000,000
Recreational marihuana grants.....		94,300,000
Senior citizen cooperative housing tax exemption program.....		12,525,100
Commercial forest reserve.....		3,603,900
Purchased lands.....		14,201,700
Swamp and tax reverted lands.....		23,977,800
City, village, and township revenue sharing.....		333,547,300
Constitutional state general revenue sharing grants.....		1,045,337,700
County revenue sharing.....		291,111,400
Financially distressed cities, villages, or townships.....		2,500,000
Public safety revenue sharing grants.....		50,000,000
Airport parking distribution.....		<u>46,000,000</u>
TOTAL	\$	2,123,175,100

Sec. 21-202. 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. 21-203. As used in this part and part 1:

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

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

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

3 (d) "IDG" means interdepartmental grant.

4 (e) "JCOS" means the joint capital outlay subcommittee.

5 (f) "MDHHS" means the Michigan department of health and human services.

6 (g) "MDSP" means the Michigan department of state police.

7 (h) "MEGA" means the Michigan economic growth authority.

8 (i) "MFA" means the Michigan finance authority.

9 (j) "MSF" means the Michigan strategic fund.

10 (k) "Standard report recipients" means the senate and house appropriations

11 subcommittees on general government, the senate and house fiscal agencies, the senate and
12 house policy offices, and the state budget office.

13 Sec. 21-204. A department or agency shall use the internet to fulfill the reporting
14 requirements of this part and shall make each report readily accessible to the public and
15 conspicuously post each required report in a single archivable location on the department's
16 or agency's Michigan.gov website not later than the due date required for each report. In
17 addition to placing all reports required in the current fiscal year on the department's or
18 agency's website, the department or agency shall maintain on its website all reports placed
19 on the website from previous fiscal years posted by fiscal year in the same single
20 archivable location. The department or agency shall also transmit all required reports for
21 the current fiscal year to the standard recipients and any other required recipients by
22 email.

23 Sec. 21-205. 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. 21-206. (1) The department shall maximize utilization of its in-person state
3 workforce. The department shall prioritize occupancy utilization of office space for each
4 division within the department. Employees with job responsibilities that require the
5 employees to serve in their capacities outside of an office shall be monitored each pay
6 period to ensure all work hours reported on the timesheet were actually worked.

7 (2) The department shall comply with requirements set forth by the office of the
8 state employer on in-person work and utilization and occupancy rates of state buildings to
9 ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to
10 market conditions.

11 (3) The department shall adhere to civil service rules and regulations that state the
12 standard biweekly work period for a full-time employee in the classified service of this
13 state is the equivalent of 80.0 hours of work. The department shall establish policies and
14 processes to ensure all employees are working their jobs during agreed upon business hours.

15 Sec. 21-207. Consistent with section 217 of the management and budget act, 1984 PA
16 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
17 prepare a report on out of state travel expenses not later than January 1. The report must
18 list all travel by classified and unclassified employees outside this state in the previous
19 fiscal year that was funded in whole or in part with funds appropriated in the department's
20 or agency's budget. The department or agency shall submit the report to the standard report
21 recipients and to the house and senate appropriations committees. The report must include
22 all of the following information:

23 (a) The dates of each travel occurrence.

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

27 Sec. 21-208. Not later than 6 months after the state budget office issues work
28 project letters, a department, agency and the legislature shall submit an annual report
29 that summarizes all work project accounts. The report must include all of the following:

30 (a) A list of all work project accounts.

31 (b) The status of all work project accounts, including amounts expended, amounts
32 encumbered, and available balances for each account.

1 (c) The amount of funds that lapsed from any previously designated work project
2 accounts, the name and description of the work project account, and the funds that received
3 the lapsed amounts.

4 Sec. 21-209. Not later than December 15, the state budget office shall prepare and
5 submit a report that provides for estimates of the total general fund/general purpose
6 appropriation lapses at the close of the previous fiscal year. The report must summarize
7 the projected year-end general fund/general purpose appropriation lapses by major
8 departmental program or program areas. The state budget office shall submit the report to
9 the standard report recipients and the chairpersons of the senate and house appropriations
10 committees.

11 Sec. 21-210. (1) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These
13 funds are not available for expenditure until they have been transferred to another line
14 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

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

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

24 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
25 not to exceed \$40,000.00 for private contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item in this article under
27 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

28 Sec. 21-211. A department or agency shall cooperate with the department of
29 technology, management and budget to maintain a searchable website accessible by the public
30 at no cost that includes, but is not limited to, all of the following for each department
31 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 Sec. 21-212. (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 Sec. 21-213. To the extent permissible under the management and budget act, 1984 PA
9 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
10 appropriations in part 1 shall take all reasonable steps to ensure geographically
11 disadvantaged business enterprises compete for and perform contracts to provide services or
12 supplies, or both. Each director shall strongly encourage firms with which the department
13 or agency contracts to subcontract with certified geographically disadvantaged business
14 enterprises for services, supplies, or both. As used in this section, "geographically
15 disadvantaged business enterprises" means that term as defined in Executive Directive No.
16 2023-1.

17 Sec. 21-214. The department must provide an annual report to the standard report
18 recipients detailing significant federal policy changes that do, or are expected to
19 significantly impact the operations of the department, including reductions in federal
20 revenue and/or changes that are likely to lead to a reduction in the department's ability
21 to safeguard the health or welfare of the public.

22 Sec. 21-215. (1) Within 30 days of enactment of this act, the house and senate fiscal
23 agencies shall provide to the state budget office a jointly agreed upon list of
24 legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33
25 of 2025. The list must include all information and documents pertaining to the funded items
26 as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

27 (2) In accordance with section 364(4) of the Management and Budget Act, the
28 department or agency administering the grant shall post a report in a publicly accessible
29 location on its website beginning March 15 of the current fiscal year. The department or
30 agency shall update the report and shall post an updated report not later than June 15 of
31 the current fiscal year and again not later than September 15 of the current fiscal year.
32 The department shall include in the report the most comprehensive information the

1 department has available at the time of posting for grants awarded.

2 Sec. 21-216. On a quarterly basis, a department or agency receiving appropriations in
3 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
4 classification, including comparison by line item of the number of FTEs authorized from
5 funds appropriated in part 1 to the actual number of FTE positions employed by the
6 department or agency at the end of the reporting period. The report must be submitted to
7 the senate and house appropriations committees and to the standard report recipients.

8 Sec. 21-217. The state budget director shall take steps to ensure that all state
9 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
10 Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal
11 recovery funds that would otherwise lapse after September 30, 2026, are automatically
12 reappropriated for the same purpose as originally authorized and available for expenditure
13 through December 31, 2026, and any subsequent financial close out period.

14 Sec. 21-218. (1) The state budget director shall take steps to ensure that all state
15 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
16 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
17 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
18 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
19 that may include, but are not limited to, completed projects coming in under budget or
20 funds unable to be fully used by subrecipients. The state budget director shall reallocate
21 any of the funds reallocated under this subsection to the programs or purposes specified in
22 this section. Any funds reallocated are unappropriated and immediately reappropriated for
23 the following purposes:

24 (a) To reclassify general fund/general purpose appropriations for payroll and covered
25 benefits for eligible public health and safety employees at the department of corrections.

26 (b) To reclassify general fund/general purpose appropriations for payroll and covered
27 benefits for eligible public health and safety employees at the department of state police.

28 (2) All applicable guidance, implementation, and reporting provisions of Public Law
29 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under
30 subsection (1).

31 (3) The state budget director shall notify the senate and house appropriations
32 committees not later than 10 business days after making any reallocations under subsection

1 (1). The notification must include the authorized program under which funds were originally
2 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
3 department to which the funds are being reallocated under subsection (1), and the amount
4 reallocated to each program or purpose.

5 Sec. 21-230. Funds appropriated in part 1 must not be used by this state or a
6 department, agency, or authority of this state to purchase an ownership interest in a
7 casino enterprise or a gambling operation as those terms are defined in the Michigan Gaming
8 Control and Revenue Act, 1996 IL 1, MCL 432.201 to 432.226.

9
10 **DEPARTMENT OF TREASURY OPERATIONS**

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

18 (2) In addition to the amount appropriated to the department for debt service in part
19 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for
20 interest on interfund borrowing authorized under 1967 PA 55, MCL 12.51 to 12.53.

21 (3) In addition to the amount appropriated to the department for debt service in part
22 1, all repayments received by this state on loans made from the school bond loan fund that
23 the state treasurer determines are not required to be deposited in the school loan
24 revolving fund under section 4 of 1961 PA 112, MCL 388.984, are appropriated to the
25 department for the payment of debt service, including, but not limited to, optional and
26 mandatory redemptions, on bonds, notes, or commercial paper issued by this state under 1961
27 PA 112, MCL 388.981 to 388.985.

28 Sec. 21-902b. As a condition of receiving the appropriations in part 1, not later
29 than 30 days after the state of Michigan annual comprehensive financial report under
30 section 494 of the management and budget act, 1984 PA 431, MCL 18.1494, is published, the
31 department shall submit a report to the standard report recipients on all funds that are
32 controlled or administered by the department and not appropriated in part 1. The current

1 and all previous reports prepared as required under this section must be saved and made
2 available on the department's public website and stored in a common location with all other
3 reports that the department is required by law to prepare. The link to the location of the
4 reports must be clearly indicated on the main page of the department's internet website.
5 The report must include all of the following information for each fund for the immediately
6 preceding fiscal year:

- 7 (a) The starting balance.
- 8 (b) Total revenue generated by transfers in and investments.
- 9 (c) Total expenditures.
- 10 (d) The ending balance.

11 Sec. 21-903. (1) From the funds appropriated in part 1, the department may contract
12 for services to support collection of taxes and other accounts due this state or due a city
13 for which the department has entered into an agreement to provide tax administration
14 services. In addition to the amounts appropriated in part 1 to the department, there are
15 appropriated amounts necessary to fund the cost of these collections, including
16 infrastructure costs. The additional amounts appropriated under this subsection must not
17 exceed 25% of the collections or 2.5% plus operating costs, as applicable. Each contract
18 must prescribe the applicable amount. The amounts appropriated to fund collection costs and
19 fees under this subsection are appropriated from the fund or account to which the
20 corresponding taxes and other accounts being collected are recorded or dedicated. However,
21 if the taxes and other accounts collected are dedicated for a specific purpose under the
22 state constitution of 1963, the amounts appropriated under this subsection are appropriated
23 from the general purpose account of the general fund.

24 (2) From the funds appropriated in part 1, the department may contract for services
25 to collect defaulted student loans and other accounts due the Michigan guaranty agency. In
26 addition to the amounts appropriated in part 1 to the department, there are appropriated
27 amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection
28 or a lesser amount as prescribed by the contract. The amounts appropriated under this
29 subsection are appropriated from the fund or account to which the revenues being collected
30 are recorded or dedicated.

31 (3) By November 30, the department shall submit a report to the standard report
32 recipients and the senate and house of representatives standing committees on

1 appropriations. The report must include all of the following information for the
2 immediately preceding fiscal year:

3 (a) The name of any entity that the department contracted with under subsection (1)
4 or (2).

5 (b) The amount collected under each contract.

6 (c) The costs of collection under each contract.

7 (d) Any other information that is pertinent to determining whether the authority
8 described in subsection (1) or (2) should be continued.

9 Sec. 21-904. (1) The bureau of investments of the department may charge an investment
10 service fee against the applicable retirement funds. The revenue from the investment
11 service fees charged under this subsection may be expended for necessary salaries, wages,
12 contractual services, supplies, materials, equipment, travel, worker's compensation
13 insurance premiums, and grants to the civil service commission retirement fund and the
14 state employees' retirement fund. If the bureau of investments of the department charges a
15 total amount of investment service fees under this subsection that is greater than the
16 aggregate amount appropriated in part 1, the bureau of investments of the department shall
17 periodically repay the surplus revenue to the applicable retirement funds. The department
18 shall maintain accounting records in sufficient detail to enable repayment under this
19 subsection.

20 (2) In addition to the funds appropriated in part 1 from the retirement funds to the
21 department, there is appropriated from retirement funds an amount sufficient to pay for the
22 services of money managers, investment advisors, investment consultants, custodians, or
23 other outside professionals that the state treasurer considers necessary to prudently
24 manage the retirement funds' investment portfolios. The state treasurer shall submit an
25 annual report to the standard report recipients and the senate and house of representatives
26 standing committees on appropriations regarding the performance of each portfolio
27 delineated by investment advisor.

28 (3) Not later than November 30, the department shall submit a report to the standard
29 report recipients that identifies the service fees assessed against each retirement system
30 under subsection (1) and the methodology used for assessment.

31 Sec. 21-904a. (1) There is appropriated an amount sufficient to recognize and pay
32 expenditures for financial services provided by financial institutions or equivalent

1 vendors that perform these financial services, including the department, as provided under
2 section 1 of 1861 PA 111, MCL 21.181.

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

8 Sec. 21-905. The municipal finance fee fund is created in the department as a
9 revolving fund. The department shall deposit the fees that the department collects under
10 the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, into the municipal
11 finance fee fund. The money in the fund at the end of the fiscal year may be carried
12 forward for future appropriation.

13 Sec. 21-906. (1) The department shall charge for audits as allowed under state or
14 federal law or under a contract between the department and a local unit of government,
15 other principal executive department, or state agency. However, the department shall not
16 charge more than the actual cost for performing the audit. Not later than November 30, the
17 department shall submit a report to the standard report recipients that includes details of
18 the audits performed and audit charges for the immediately preceding fiscal year.

19 (2) The audit charges fund is created in the department as a revolving fund. The
20 department shall deposit the contractual charges collected under subsection (1) into the
21 audit charges fund. The money in the fund at the end of the fiscal year may be carried
22 forward for future appropriation.

23 Sec. 21-907. (1) The department shall create and operate a property assessor
24 certification and training program. The purpose of the program is to offer courses in
25 assessment administration.

26 (2) The assessor certification and training fund is created in the department as a
27 revolving fund. The department shall use the money in the assessor certification and
28 training fund to create and operate the property assessor certification and training
29 program described in subsection (1).

30 (3) Each participant in the program shall pay to the department an examination fee
31 not to exceed \$50.00 per examination and a certification fee not to exceed \$175.00. In
32 addition, each participant shall pay a fee to cover the expenses incurred in offering the

1 program to certified assessing personnel and other individuals interested in an assessment
2 career opportunity. The department shall deposit the fees collected under this subsection
3 into the property assessor certification and training program fund.

4 Sec. 21-908. The amount appropriated in part 1 for the home heating assistance
5 program is to cover the costs, including data processing, of administering federal home
6 heating credits to eligible claimants and of administering the supplemental fuel cost
7 payment program for eligible tax credit and welfare recipients.

8 Sec. 21-909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to
9 207.383, is appropriated and must be distributed in accordance with section 7a of the
10 airport parking tax act, 1987 PA 248, MCL 207.377a.

11 Sec. 21-910. The disbursement by the department from the bottle deposit fund to
12 dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

13 Sec. 21-911. (1) There is appropriated an amount sufficient to recognize and pay
14 refundable tax credits, tax refunds, and interest as provided by law.

15 (2) The appropriations under subsection (1) must be funded by restricting tax revenue
16 in an amount sufficient to cover these expenditures.

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

19 (a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served
20 on the state treasurer, as provided in section 4012 of the revised judicature act of 1961,
21 1961 PA 236, MCL 600.4012.

22 (b) A fee of \$6.00 at the time any other writ of garnishment is served on the state
23 treasurer. However, the fee must be reduced to \$5.00 for each writ of garnishment for
24 individual income tax refunds or credits that is filed electronically.

25 Sec. 21-913. (1) The department may contract with private firms to appraise and, if
26 necessary, appeal the assessments of senior citizen cooperative housing units. Payment for
27 this service must be made from the savings that result from the appraisal or appeal process
28 being conducted by private firms.

29 (2) The department may use a portion of the funds appropriated in part 1 for the
30 senior citizen cooperative housing tax exemption program for an audit of the program. The
31 department shall submit copies of any completed audit report to the standard report
32 recipients. The department may use not more than 1% of the funds for administering and

1 auditing the program.

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

5 Sec. 21-915. As required under section 61 of the Michigan campaign finance act, 1976
6 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund
7 an amount equal to the amounts designated for the 2025 tax year. Except as otherwise
8 provided in this section, the amount appropriated does not revert to the general fund and
9 remains in the state campaign fund. Any amount that remains in the state campaign fund in
10 excess of \$10,000,000.00 on December 31 reverts to the general fund.

11 Sec. 21-916. (1) The department may make available to an interested entity a
12 customized list of otherwise unavailable nonconfidential information regarding unclaimed
13 property that is in the department's possession. The department shall charge for this
14 information as follows:

15 (a) For 1 to 100,000 records, 2.5 cents per record.

16 (b) For 100,001 or more records, 0.5 cents per record.

17 (2) The revenue received under subsection (1) must be deposited in the revenue
18 account or fund that is associated with the applicable unclaimed property.

19 (3) Not later than June 1, the department shall submit a report to the standard
20 report recipients and the senate and house of representatives standing committees on
21 appropriations that states the amount of revenue received from the sale of the information
22 under this section.

23 Sec. 21-917. (1) There is appropriated for write-offs and advances an amount equal to
24 total write-offs and advances for departmental programs. The amount appropriated under this
25 subsection must not exceed current year authorizations that would otherwise lapse to the
26 general fund.

27 (2) Not later than 30 days after the annual comprehensive financial report is
28 published, the department shall submit a report to the standard report recipients. The
29 report must include all of the following information for the immediately preceding fiscal
30 year:

31 (a) The amounts appropriated for write-offs and advances under subsection (1).

32 (b) An explanation for each write-off or advance under subsection (1).

1 Sec. 21-919. (1) From funds appropriated in part 1, the department may contract with
2 private auditing firms to audit for and collect unclaimed property due this state in
3 accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In
4 addition to the amounts appropriated in part 1 to the department, there are appropriated
5 amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the
6 collections or a lesser amount as prescribed by the applicable contract. The appropriation
7 to fund collection costs and fees for the auditing and collection of unclaimed property due
8 this state is from the fund or account to which the revenues being collected are recorded
9 or dedicated.

10 (2) Not later than November 30, the department shall submit a report to the standard
11 report recipients and the senate and house of representatives standing committees on
12 appropriations. The report must include all of the following information for the
13 immediately preceding fiscal year:

14 (a) The name of each auditing firm that the department contracted with under
15 subsection (1).

16 (b) The amount collected by each of the auditing firms.

17 (c) The costs of collection.

18 (d) Any other information that is pertinent to determining whether the authority
19 under subsection (1) should be continued.

20 Sec. 21-920. Not later than June 30, from the funds appropriated in part 1, the
21 department shall do both of the following:

22 (a) Produce a list of all personal property tax reimbursement payments to be
23 distributed in the current fiscal year by the local community stabilization authority.

24 (b) Post the list produced under subdivision (a) on the department's public website.

25 Sec. 21-921. From the funds appropriated in part 1, the department shall, for each
26 revenue administrative bulletin, administrative rule that involves tax administration or
27 collection, and notice interpreting a change in law, submit a notification to every member
28 of the legislature. The department shall submit the notification not later than 3 days
29 after the department posts the notification. Each notification must include all of the
30 following:

31 (a) A summary of the proposed changes from current procedures.

32 (b) Identification of industries that will or might be affected by the bulletin,

1 rule, or notice.

2 (c) A statement of the potential fiscal implications of the bulletin, rule, or
3 notice. This subdivision does not apply to a bulletin, rule, or notice that is a routine
4 update of a tax or interest rate required by statute.

5 (d) A summary of the reason for the proposed change.

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

9 (2) Not later than December 31, the department shall submit a report to the standard
10 report recipients that includes the amount of exemptions denied and the revenue received
11 under the program described in subsection (1) for the immediately preceding fiscal year.

12 Sec. 21-927. The department shall submit a progress report regarding essential
13 service assessment audits to the standard report recipients. The report must include all of
14 the following:

15 (a) The number of audits.

16 (b) The revenue generated from the audits.

17 (c) The number of complaints received by the department related to the audits.

18 Sec. 21-928. The department may provide receipt, check and cash processing, data,
19 collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment,
20 and other user services on a contractual basis for other principal executive departments
21 and state agencies. Funds for the services provided are appropriated and must be expended
22 for salaries, wages, fees, supplies, and equipment necessary to provide the services. Money
23 in the fund that is unobligated at the end of the fiscal year lapses to the general fund.

24 Sec. 21-930. (1) The department shall provide accounts receivable collections
25 services to other principal executive departments and state agencies in accordance with
26 1927 PA 375, MCL 14.131 to 14.134, or to a city with which the department has contracted to
27 provide tax administration services. The department shall deduct a fee equal to the cost of
28 collections from all receipts except for unrestricted general fund collections. Fees must
29 be credited to a restricted revenue account and are appropriated to the department to pay
30 for the cost of collections. If the department deducts fees under this subsection that
31 total an amount that is greater than the actual cost of the collections, the department
32 shall periodically repay the surplus to the respective account. The department shall

1 maintain accounting records in sufficient detail to enable repayment under this subsection.

2 (2) Not later than November 30, the department shall submit a report to the standard
3 report recipients that includes the following information regarding subsection (1) for the
4 immediately preceding fiscal year:

5 (a) The principal executive departments and state agencies served.

6 (b) The funds collected.

7 (c) The costs of collection.

8 Sec. 21-931. (1) Except as otherwise provided in this subsection, the appropriation
9 in part 1 to the department for treasury fees must be assessed against all restricted funds
10 that receive common cash earnings or other investment income. This subsection does not
11 apply to federal or state restricted funds that are temporary in nature or otherwise do not
12 qualify to be assessed treasury fees. The fee assessed against each restricted fund must be
13 based on the size of the restricted fund, calculated as the absolute value of the average
14 daily cash balance plus the market value of investments in the immediately preceding fiscal
15 year, and the level of resources necessary to maintain the restricted fund as required by
16 each department. Not later than November 30, the department shall submit a report to the
17 standard report recipients that identifies the fees assessed against each restricted fund
18 and the methodology used for the assessment.

19 (2) In addition to the funds appropriated in part 1, the department may receive and
20 expend investment fees that are related to new restricted funding sources that participate
21 in common cash earnings or other investment income during the current fiscal year.

22 (3) As used in this section, "treasury fees" includes all costs, including
23 administrative overhead, that are related to the investment of a restricted fund.

24 Sec. 21-932. The board of directors of the Michigan education trust may expend
25 revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to
26 390.1442, for necessary salaries, wages, supplies, contractual services, equipment,
27 worker's compensation insurance premiums, and grants to the civil service commission
28 retirement fund and the state employees' retirement fund.

29 Sec. 21-934. The department may expend revenues received under the hospital finance
30 authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227,
31 MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL
32 390.921 to 390.934, the Michigan public educational facilities authority, Executive

1 Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
2 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA
3 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection
4 act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act
5 of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the MFA, Executive Reorganization
6 Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual
7 services, equipment, worker's compensation insurance premiums, grants to the civil service
8 commission retirement fund and the state employees' retirement fund, and other expenses as
9 allowed under those acts or executive reorganization orders.

10 Sec. 21-935. The position of student loan ombudsman is created in the department's
11 advocacy services team. The student loan ombudsman serves as an advocate for borrowers and
12 shall work with the financial resource navigator within the department of lifelong learning
13 and potential to provide technical assistance to individuals taking out or paying off
14 student loans.

15 Sec. 21-936. Revenue collected in the state forensic laboratory fund is appropriated
16 and shall be distributed in accordance with section 7 of the forensic laboratory funding
17 act, 1994 PA 35, MCL 12.207.

18 Sec. 21-937. As a condition of receiving funds in part 1, not later than March 31,
19 the department shall submit a report to the standard report recipients and the senate and
20 house standing committees on appropriations regarding the department's collection efforts
21 for delinquent accounts. The report must include all of the following:

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

24 (b) The amount of delinquent accounts.

25 (c) The liquidation rates for declining delinquent accounts.

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

28 (e) The department's strategy to manage delinquent accounts when those accounts
29 exceed the collectible period.

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

32 Sec. 21-938. Revenue collected in the qualified heavy equipment rental personal

1 property exemption reimbursement fund is appropriated and must be distributed in accordance
2 with section 9 of the qualified heavy equipment rental personal property specific tax act,
3 2022 PA 35, MCL 211.1129.

4 Sec. 21-939. Revenue deposited in the local government reimbursement fund is
5 appropriated and must be distributed in accordance with section 3a of the Michigan trust
6 fund act, 2000 PA 489, MCL 12.253a.

7 Sec. 21-940. (1) The election administration support fund is created in the state
8 treasury.

9 (2) Any unexpended funds in the election administration support fund must be carried
10 forward and are available for expenditure under this section.

11 (3) Funds may be spent from the election administration support fund only on
12 appropriation, or legislative transfer pursuant to section 393(2) of the management and
13 budget act, 1984 PA 431, MCL 18.1393.

14 (4) The state treasurer may receive money or other assets from any source for deposit
15 in the election administration support fund. The state treasurer shall direct the
16 investment of the election administration support fund. The state treasurer shall credit to
17 the election administration support fund interest and earnings from the election
18 administration support fund.

19 (5) Funds in the election administration support fund at the close of the fiscal year
20 remain in the election administration support fund and do not lapse to the general fund.

21 (6) Funds appropriated in part 1 for election administration support fund must be
22 deposited in the election administration support fund.

23 Sec. 21-941. (1) Not later than November 1, from the funds appropriated in part 1,
24 the department, in conjunction with the MSF, shall submit a report to the standard report
25 recipients and the senate and house of representatives standing committees on
26 appropriations on the annual cost of the MEGA tax credits. The report must include, for
27 each year from 1995 to the expiration of the MEGA tax credit program, the board-approved
28 credit amount, adjusted for credit amendments if applicable, and the actual and projected
29 value of tax credits. For years for which credit claims are complete, the report must
30 include the total of actual certificated credit amounts. For years for which claims are
31 still pending or not yet submitted, the report must include a combination of actual credits
32 if available and projected credits. Credit projections must be based on updated estimates

1 of employees, wages, and benefits for eligible companies.

2 (2) In addition to the report under subsection (1), not later than November 1, the
3 department, in conjunction with the MSF, shall submit a report to the standard report
4 recipients and the senate and house of representatives standing committees on
5 appropriations on the annual cost of all other certificated credits by program for each
6 year until the credits expire or can no longer be collected. The report must include
7 estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic
8 technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery
9 credit, and other certificated credits.

10 Sec. 21-944. From the funds appropriated in part 1, if the department hires a pension
11 plan consultant using any of the funds appropriated in part 1, the department shall do all
12 of the following:

13 (a) Retain each report provided to the department by that consultant.

14 (b) Notify the standard report recipients that the department has hired a pension
15 plan consultant, including the reason why the department hired the pension plan consultant.

16 (c) Make a report described in subdivision (a) available to a standard report
17 recipient if requested by the standard report recipient.

18 Sec. 21-945. From the funds appropriated in part 1, audits of local unit assessment
19 administration practices, procedures, and records must be conducted in each assessment
20 jurisdiction a minimum of 1 time every 5 years and in accordance with section 10g of the
21 general property tax act, 1893 PA 206, MCL 211.10g.

22 Sec. 21-946. Revenue collected in the convention facility development fund is
23 appropriated and must be distributed in accordance with sections 8, 9, and 10 of the state
24 convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

25 Sec. 21-949. (1) From the funds appropriated in part 1, the department may contract
26 with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to
27 the amounts appropriated in part 1 to the department, there are appropriated amounts
28 necessary to pay the costs of the contracts or to fund operations designed to reduce
29 fraudulent income tax refund payments. The additional amount appropriated under this
30 subsection must not be greater than \$2,000,000.00. The appropriation to fund fraud
31 prevention efforts under this subsection is from the fund or account to which the revenues
32 being collected are recorded or dedicated.

1 (2) Not later than November 30, the department shall submit a report to the standard
2 report recipients and the senate and house of representatives standing committees on
3 appropriations. The report must include all of the following for the immediately preceding
4 fiscal year:

5 (a) The number of refund claims denied because of the fraud prevention operations.

6 (b) The amount of refunds denied.

7 (c) The costs of the fraud prevention operations.

8 (d) Any other information that is pertinent to determining whether the authority
9 under subsection (1) should be continued.

10 Sec. 21-949a. From the funds appropriated in part 1 for city income tax
11 administration program, the department may expand its individual income tax administration
12 for any additional cities that enter into service-level agreements with the department for
13 this purpose. In addition to the funds appropriated in part 1, any additional local funds
14 received as part of the service-level agreements are appropriated to the department for
15 staffing and administration of the program.

16 Sec. 21-949b. Tax capture revenues collected in accordance with written agreements
17 under the good jobs for Michigan program and transferred from the general fund for deposit
18 into the good jobs for Michigan fund, including tax capture revenues collected for
19 calculated payments from the good jobs for Michigan fund to authorized businesses and
20 distributions to the MSF for administrative expenses, are appropriated in accordance with
21 chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

22 Sec. 21-949c. From the funds appropriated in part 1, funds must be expended in
23 coordination with the department of agriculture and rural development to improve the timely
24 processing and issuance of tax credits from the Michigan's farmland and open space
25 preservation program created under section 36109 of the natural resources and environmental
26 protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space
27 preservation program under parts 361 and 362 of the natural resources and environmental
28 protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207.

29 Sec. 21-949d. (1) From the funds appropriated in part 1 for financial review
30 commission, the department shall continue financial review commission efforts in the
31 current fiscal year. The purpose of the funding is to cover ongoing costs associated with
32 the operation of the commission.

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

6 (3) Not later than March 15, the department shall submit a report to the standard
7 report recipients that includes both of the following:

8 (a) A description of the specific outcomes and measures required in subsection (1).

9 (b) The results and data related to these outcomes and measures.

10 Sec. 21-949e. From the funds appropriated in part 1 for the state essential services
11 assessment program, the department shall administer the state essential services assessment
12 program. The purpose of the program is to provide a phased-in replacement of locally
13 collected personal property taxes on eligible manufacturing personal property. The program
14 must provide the department with the ability to collect the state essential services
15 assessment.

16 Sec. 21-949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to
17 205.436, related to counties with a population of more than 2,000,000 according to the 2000
18 federal decennial census is appropriated and must be distributed in accordance with section
19 12(2)(e) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

20 Sec. 21-949h. Revenue from part 6 of the medical marihuana facilities licensing act,
21 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and must be distributed in
22 accordance with part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL
23 333.27601 to 333.27605.

24 Sec. 21-949i. Revenue from the Michigan Regulation and Taxation of Marihuana Act,
25 2018 IL 1, MCL 333.27951 to 333.27967, is appropriated and must be distributed in
26 accordance with the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL
27 333.27951 to 333.27967.

28 Sec. 21-949j. All funds in the wrongful imprisonment compensation fund created in the
29 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are
30 appropriated and available for expenditure. Expenditures are limited to support wrongful
31 imprisonment compensation payments under section 6 of the wrongful imprisonment
32 compensation act, 2016 PA 343, MCL 691.1756.

1 Sec. 21-949k. There is appropriated an amount equal to the tax captured revenues due
2 under approved transformational brownfield plans created under the brownfield redevelopment
3 financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

4 Sec. 21-949m. From the funds appropriated in part 1, the Michigan infrastructure
5 council shall plan, conduct, and contract for asset management improvement activities,
6 including, but not limited to, any of the following:

7 (a) Infrastructure data collection activities.

8 (b) Asset manager training.

9 (c) Development of a 30-year asset management plan for this state.

10 (d) Assistance in asset management improvement projects, including maintaining an
11 asset management portal.

12 (e) Any other projects that promote improved asset management for infrastructure in
13 this state.

14 Sec. 21-949n. In addition to the funds appropriated in part 1, the money in the
15 fostering futures scholarship trust fund, including any money received as gifts or
16 donations to the fostering futures scholarship trust fund, is appropriated and the
17 department may issue payments in compliance with the fostering futures scholarship trust
18 fund act, 2008 PA 525, MCL 722.1021 to 722.1031.

19 Sec. 21-949o. (1) Grants supported with private revenues received by the department
20 are appropriated upon receipt and are available for expenditure by the department for
21 purposes specified within the grant agreement and as permitted under state and federal law.

22 (2) Not later than 10 days after the receipt of a private grant appropriated in
23 subsection (1), the department shall notify the senate and house chairpersons of the
24 subcommittees, the senate and house fiscal agencies, and the state budget director of the
25 receipt of the grant, including the fund source, purpose, and amount of the grant.

26 (3) The amount appropriated under subsection (1) must not exceed \$5,000,000.

27 (4) Not later than March 15, the department shall report to the standard report
28 recipients the amount of private revenue generated in the previous fiscal year and the
29 amount of private revenue carried forward into the current fiscal year.

30 Sec. 21-949p. In addition to the amounts appropriated in part 1, any amount collected
31 from maintenance or user fees paid by the plan participants to the plan vendor or to the
32 plan is authorized to be spent by the program. The Michigan Achieving a Better Life

1 Experience (MiABLE) program fees shall be used to develop and conduct a marketing campaign
2 to promote awareness to Michigan residents. Eligible expenses include, but are not limited
3 to, program administration, program awareness campaigns, planning and hosting events, or to
4 reduce or offset plan participant fees.

5

6 **REVENUE SHARING**

7 Sec. 21-950. The department shall distribute the funds appropriated in part 1 for
8 constitutional revenue sharing to cities, villages, and townships, as required under
9 section 10 of article IX of the state constitution of 1963. Revenue collected in accordance
10 with section 10 of article IX of the state constitution of 1963 in excess of the amount
11 appropriated in part 1 for constitutional revenue sharing is appropriated for distribution
12 to cities, villages, and townships, on a population basis as required under section 10 of
13 article IX of the state constitution of 1963.

14 Sec. 21-952. (1) The funds appropriated in part 1 for city, village, and township
15 revenue sharing are for grants to cities, villages, and townships and must be distributed
16 as provided in this section.

17 (2) From the first \$299,126,400.00 appropriated in part 1 for city, village, and
18 township revenue sharing, each city, village, or township shall receive an amount equal to
19 100.0% of the revenue sharing payment for which the city, village, or township received
20 under section 952(2) of article 5 of 2025 PA 22 rounded to the nearest dollar.

21 (3) The remaining amount appropriated in part 1 for city, village, and township
22 revenue sharing after the distributions under subsection (2) must be distributed as
23 follows:

24 (a) 1/3 shall be distributed as taxable value payments as provided under subsection
25 (4).

26 (b) 1/3 must be distributed as unit type population payments as provided under
27 subsection (5).

28 (c) 1/3 must be distributed as yield equalization payments as provided under
29 subsection (6).

30 (4) A taxable value payment must be made to each city, village, and township,
31 determined as follows:

32 (a) Determine the per capita taxable value for each city, village, and township by

1 dividing the taxable value of that city, village, or township by the population of that
2 city, village, or township.

3 (b) Determine the statewide per capita taxable value by dividing the total taxable
4 value of all cities, villages, and townships by the total population of all cities,
5 villages, and townships.

6 (c) Determine the per capita taxable value ratio for each city, village, and township
7 by dividing the statewide per capita taxable value by the per capita taxable value for that
8 city, village, or township.

9 (d) Determine the adjusted taxable value population for each city, village, and
10 township by multiplying the per capita taxable value ratio as determined under subdivision
11 (c) for that city, village, or township by the population of that city, village, or
12 township.

13 (e) Determine the total statewide adjusted taxable value population, which is the sum
14 of the adjusted taxable value population for all cities, villages, and townships.

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 city, village, and township by
19 multiplying the result under subdivision (f) by the adjusted taxable value population for
20 that city, village, or township.

21 (5) A unit type population payment must be made to each city, village, and township,
22 determined as follows:

23 (a) Determine the unit type population weight factor for each city, village, and
24 township as follows:

25 (i) For a township with a population of 5,000 or less, 1.0.

26 (ii) For a township with a population of more than 5,000 but less than 10,001, 1.2.

27 (iii) Except as otherwise provided in subparagraph (xix), for a township with a
28 population of more than 10,000 but less than 20,001, 1.44.

29 (iv) For a township with a population of more than 20,000 but less than 40,001, 4.32.

30 (v) For a township with a population of more than 40,000 but less than 80,001, 5.18.

31 (vi) For a township with a population of more than 80,000, 6.22.

32 (vii) For a village with a population of 5,000 or less, 1.5.

- 1 (viii) For a village with a population of more than 5,000 but less than 10,001, 1.8.
- 2 (ix) For a village with a population of more than 10,000, 2.16.
- 3 (x) For a city with a population of 5,000 or less, 2.5.
- 4 (xi) For a city with a population of more than 5,000 but less than 10,001, 3.0.
- 5 (xii) For a city with a population of more than 10,000 but less than 20,001, 3.6.
- 6 (xiii) For a city with a population of more than 20,000 but less than 40,001, 4.32.
- 7 (xiv) For a city with a population of more than 40,000 but less than 80,001, 5.18.
- 8 (xv) For a city with a population of more than 80,000 but less than 160,001, 6.22.
- 9 (xvi) For a city with a population of more than 160,000 but less than 320,001, 7.46.
- 10 (xvii) For a city with a population of more than 320,000 but less than 640,001, 8.96.
- 11 (xviii) For a city with a population of more than 640,000, 10.75.
- 12 (xix) For a township that has a population of not less than 10,000 and certifies to
- 13 the department that the township provides for or makes available all of the following, the
- 14 township must receive the unit type population weight factor for a city with the same
- 15 population:
- 16 (A) Fire services.
- 17 (B) Police services on a 24-hour basis either through contracting for or directly
- 18 employing personnel.
- 19 (C) Water services to 50% or more of its residents.
- 20 (D) Sewer services to 50% or more of its residents.
- 21 (b) Determine the adjusted unit type population for each city, village, and township
- 22 by multiplying the unit type population weight factor for that city, village, or township
- 23 as determined under subdivision (a) by the population of the city, village, or township.
- 24 (c) Determine the total statewide adjusted unit type population, which is the sum of
- 25 the adjusted unit type population for all cities, villages, and townships.
- 26 (d) Determine the unit type population payment rate by dividing the amount to be
- 27 distributed under this subsection by the total statewide adjusted unit type population as
- 28 determined under subdivision (c).
- 29 (e) Determine the unit type population payment for each city, village, and township
- 30 by multiplying the result under subdivision (d) by the adjusted unit type population for
- 31 that city, village, or township.
- 32 (6) A yield equalization payment must be made to each city, village, and township in

1 an amount that is sufficient to provide the guaranteed tax base for a local tax effort, but
2 not to exceed 0.02. The payment must be determined as follows:

3 (a) The guaranteed tax base is the maximum combined state and local per capita
4 taxable value that can be guaranteed in a state fiscal year to each city, village, and
5 township for a local tax effort, not to exceed 0.02, if an amount equal to the amount
6 described in subsection (3)(c) is distributed to cities, villages, and townships whose per
7 capita taxable value is below the guaranteed tax base.

8 (b) The full yield equalization payment to each city, village, and township is the
9 product of the amounts determined under subparagraphs (i) and (ii):

10 (i) An amount greater than zero that is equal to the difference between the
11 guaranteed tax base determined in subdivision (a) and the per capita taxable value of the
12 city, village, or township.

13 (ii) The local tax effort of the city, village, or township, not to exceed 0.02,
14 multiplied by the population of that city, village, or township.

15 (7) For purposes of this section, any city, village, or township that completely
16 merges with another city, village, or township must be treated as a single entity, so that
17 when determining the eligible city, village, and township revenue sharing payment under
18 section 952(2) of article 5 of 2025 PA 22 for the combined single entity, the city,
19 village, and township revenue sharing amount that each of the merging local units of
20 government received under section 952(2) of article 5 of 2025 PA 22 is summed.

21 Sec. 21-954. (1) Cities, villages, and townships receiving a payment under section
22 21-952(2) and counties receiving a payment under section 21-955(2) shall receive 1/6 of
23 their total payment on the last business day of October, December, February, April, June,
24 and August. On the last business day of February 2027, cities, villages, and townships
25 receiving a payment under section 21-952(3) and counties receiving a payment under section
26 21-955(3) shall receive 50% of the estimated payment to be received under section 21-952(3)
27 or 21-955(3), as applicable. On the last business day of June 2027, cities, villages, and
28 townships receiving a payment under section 21-952(3) and counties receiving a payment
29 under 21-955(3) shall receive any remaining payment calculated under section 21-952(3) or
30 21-955(3), as applicable.

31 (2) Payments distributed under section 21-952 or section 21-955 may be withheld in
32 accordance with sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971,

1 1971 PA 140, MCL 141.917a and 141.921.

2 (3) If a city, village, or township that receives a payment under section 21-952 is
3 determined to have a retirement pension benefit system in underfunded status under section
4 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805,
5 the city, village, or township must allocate to its pension unfunded liability an amount
6 equal to 50% of the difference between its current year payment under section 21-952 and
7 the amount the city, village or township would have been eligible to receive under section
8 952 of article 5 of 2025 PA 22, rounded to the nearest dollar. A city, village, or township
9 that has issued a municipal security under section 518 of the revised municipal finance
10 act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

11 (4) If a county that receives a payment under section 21-955 is determined to have a
12 retirement pension benefit system in underfunded status under section 5 of the protecting
13 local government retirement and benefits act, 2017 PA 202, MCL 38.2805, the county must
14 allocate to its pension unfunded liability an amount equal to 50% of the difference between
15 its current year payment under section 21-955 and the amount the county would have been
16 eligible to receive under section 955 of article 5 of 2025 PA 22, rounded to the nearest
17 dollar. A county that has issued a municipal security under section 518 of the revised
18 municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

19 Sec. 21-955. (1) The funds appropriated in part 1 for county revenue sharing are for
20 grants to counties and must be distributed as provided in this section.

21 (2) From the first \$261,069,700.00 appropriated in part 1, each county shall receive
22 an amount equal to 100.0% of the revenue sharing payment for which the county received
23 under section 955(2) of article 5 of 2025 PA 22, rounded to the nearest dollar.

24 (3) From the remaining amount appropriated in part 1 for county revenue sharing after
25 the distributions under subsection (2), a taxable value payment must be made to each
26 county, determined as follows:

27 (a) Determine the per capita taxable value for each county by dividing the taxable
28 value of that county by the population of that county.

29 (b) Determine the statewide per capita taxable value by dividing the total taxable
30 value of all counties by the total population of all counties.

31 (c) Determine the per capita taxable value ratio for each county by dividing the
32 statewide per capita taxable value by the per capita taxable value for that county.

1 (d) Determine the adjusted taxable value population for each county by multiplying
2 the per capita taxable value ratio as determined under subdivision (c) for that county by
3 the population of that county.

4 (e) Determine the total statewide adjusted taxable value population, which is the sum
5 of the adjusted taxable value population for all counties.

6 (f) Determine the taxable value payment rate by dividing the amount to be distributed
7 under this subsection by the total statewide adjusted taxable value population as
8 determined under subdivision (e).

9 (g) Determine the taxable value payment for each county by multiplying the result
10 under subdivision (f) by the adjusted taxable value population for that county.

11 Sec. 21-956. (1) From the funds appropriated in part 1 for financially distressed
12 cities, villages, or townships, the department shall create and operate a grant program to
13 award grants to cities, villages, and townships that have 1 or more conditions that
14 indicate probable financial distress, as determined by the department. A city, village, or
15 township with 1 or more conditions that indicate probable financial distress may apply in a
16 manner determined by the department for a grant to pay for specific projects or services
17 that move the city, village, or township toward financial stability. Grants must be used
18 for specific projects or services that move the city, village, or township toward financial
19 stability. The city, village, or township must use the grants under this section to do 1 or
20 more of the following:

21 (a) Make payments to reduce unfunded accrued liability.

22 (b) Repair or replace critical infrastructure and equipment owned or maintained by
23 the city, village, or township.

24 (c) Reduce debt obligations.

25 (d) Pay for costs associated with a transition to shared services with another
26 jurisdiction.

27 (e) Administer other projects that move the city, village, or township toward
28 financial stability.

29 (2) The department shall award not more than \$2,000,000.00 to any city, village, or
30 township under this section.

31 (3) Not later than July 31, the department shall submit a report to the standard
32 report recipients that includes all of the following for each grant recipient.

1 (a) The name of the grant recipient.

2 (b) The date the grant was approved.

3 (c) The amount of the grant.

4 (d) A description of the project or projects that will be paid by the grant.

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

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

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

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

16 (d) The tentative completion date is September 30, 2031.

17 Sec. 21-957. A term that is defined in the Glenn Steil state revenue sharing act,
18 1971 PA 140, MCL 141.901 to 141.921, has the same meaning when used in sections 21-950 to
19 21-956.

20 Sec. 21-959. The department shall distribute funds appropriated in part 1 for public
21 safety revenue sharing grants as follows:

22 (1) \$3,250,000.00 to the MDHHS to establish and administer a grant program to award
23 funds to community violence intervention programs.

24 (2) \$35,062,500.00 for a public safety assistance payment to each city, village, or
25 township.

26 (a) The public safety assistance payment must be calculated as follows:

27 (i) Determine the average violent crime count for each city, village, and township by
28 adding the 2 highest annual violent crime counts for each city, village, and township from
29 the 3 most recently available annual crime reports published by the MDSP as of the first
30 day of the current fiscal year and dividing by 2.

31 (ii) Determine the statewide total violent crime count by summing the average violent
32 crime count for each city, village, and township as determined under subparagraph (i).

1 (iii) Determine the proportional factor for each city, village, and township by
2 dividing the average violent crime count for each city, village, and township as determined
3 under subparagraph (i) by the statewide total violent crime count determined under
4 subparagraph (ii).

5 (iv) Multiply the proportional factor determined in subparagraph (iii), for each
6 city, village, and township by the total amount available for distribution under this
7 subsection, and round to the nearest dollar.

8 (b) A public safety assistance payment to a city, village, or township as determined
9 under subsection (2) (a) is limited to not more than 25% of the total amount available for
10 distribution under subsection (2) .

11 (c) All of the following apply to a distribution under subsection (2) (a):

12 (i) A city, village, or township must use the distribution only for operational and
13 capital expenditures that serve the purposes of public safety.

14 (ii) Not less than 75% of a public safety assistance payment distributed under
15 subsection (2) (a) to a city, village, or township must be used to fund, either directly or
16 indirectly through a subgrant to another governmental entity, a law enforcement agency or
17 law enforcement officers as defined in section 2 of the Michigan commission on law
18 enforcement standards act, 1965 PA 203, MCL 28.602.

19 (iii) Not more than 25% of a public safety assistance payment distributed under
20 subsection (2) (a) to a city, village, or township must be used to fund other non-law-
21 enforcement-related public safety purposes, which include, but are not limited to: public
22 safety initiatives to improve recruitment or retention efforts; training programs;
23 equipment purchases; programs designed to reduce identified risks to public safety; crime
24 diversion programs; operational emergency medical or firefighter services; or capital
25 improvements to public safety buildings or structures. All local public safety initiative
26 expenses must be related to public safety and designed to reduce identified risks to public
27 safety and cannot include unproven intervention solutions to community violence.

28 (iv) A distribution made under subsection (2) (a) must not be used for the following
29 nonoperating expenses:

30 (A) Pension and other post employee benefit (OPEB) payments.

31 (B) Lawsuits and claims payments.

32 (C) Debt service payments.

1 (D) The acquisition or use of a vehicle weighing more than 15,000 pounds that is
2 designed or used for a tactical police purpose.

3 (E) The acquisition or use of facial recognition technology.

4 (F) The acquisition or use of a chemical weapon.

5 (d) A city, village, or township may subgrant all or part of the distribution under
6 subsection (2) (a) if the subgrant is used for the purpose of public safety as described
7 under subsection (2) (c).

8 (e) Subject to subsections (f), (g), and (h), not later than November 30, the
9 director of the MDSP shall provide the department with a certified list that contains all
10 of the following:

11 (i) Base crime level.

12 (ii) Current violent crime counts.

13 (iii) Current violent crime rates, as determined by the director of the MDSP.

14 (f) The current violent crime data described in subdivision (e) (ii) and (iii) mean
15 the calendar year annual violent crime data for each city, village, and township received
16 and finalized by the MDSP during the immediately preceding state fiscal year and the 2
17 immediately preceding calendar years before the immediately preceding state fiscal year.

18 (g) Crimes reported by a city, village, township, or reported by a county on behalf
19 of the city, village, or township, must be included in the certified list under subdivision
20 (e), but crimes reported by other authorities must be omitted from the certified list under
21 subdivision (e).

22 (h) The certified list under subdivision (e) must contain all cities, villages, and
23 townships in this state and must report a zero for cities, villages, and townships that did
24 not submit crime data.

25 (3) \$11,687,500.00 must be used for public safety assistance payments to counties.
26 The payment to each county must be calculated by dividing the amount to be distributed
27 under this subsection by the total statewide adjusted taxable value population as
28 determined under section 21-955(3) (e) and multiplying the result by the adjusted taxable
29 value population for that county as determined under section 21-955(3) (d).

30 (a) All of the following apply to a distribution made under this subsection:

31 (i) A county must use the distribution only for operational and capital expenditures
32 that serve the purposes of public safety.

1 (ii) Not less than 75% of a public safety assistance payment distributed to a county
2 under this subsection must be used to fund, either directly or indirectly through a
3 subgrant to another governmental entity, a law enforcement agency or law enforcement
4 officers as defined in section 2 of the Michigan commission on law enforcement standards
5 act, 1965 PA 203, MCL 28.602.

6 (iii) Not more than 25% of a public safety assistance payment distributed to a county
7 under this subsection must be used to fund other non-law-enforcement-related public safety
8 purposes, which include, but are not limited to: public safety initiatives to improve
9 recruitment or retention efforts; training programs; equipment purchases; programs designed
10 to reduce identified risks to public safety; crime diversion programs; operational
11 emergency medical or firefighter services; or capital improvements to public safety
12 buildings or structures. All local public safety initiative expenses must be related to
13 public safety and designed to reduce identified risks to public safety and cannot include
14 unproven intervention solutions to community violence.

15 (iv) A distribution made under this subsection must not be used for the following
16 nonoperating expenses:

17 (A) Pension and other post employee benefit (OPEB) payments.

18 (B) Lawsuits and claims payments.

19 (C) Debt service payments.

20 (D) The acquisition or use of a vehicle weighing more than 15,000 pounds that is
21 designed or used for a tactical police purpose.

22 (E) The acquisition or use of facial recognition technology.

23 (F) The acquisition or use of a chemical weapon.

24 (b) A county may subgrant all or part of the distribution under this subsection if
25 the subgrant is used for the purpose of public safety as described in this subsection.

26 (c) As used in subsection (2):

27 (i) "Base crime level" means the average of a city, village, or township's 2 highest
28 annual rates of violent crime, as certified by the director of the MDSP and determined by
29 the annual crime reports published by the MDSP in the 3 calendar years immediately
30 preceding the current calendar year.

31 (ii) "Population" means the counts, as defined by the Federal Bureau of Investigation
32 and used by the director of the MDSP, to determine the population for each city, village,

1 and township.

2 (iii) "Violent crime" means that term as defined by the director of the MDSP in
3 accordance with the department's incident crime reporting program and the corresponding
4 annual crime reports.

5 (iv) "Violent crime count" means the number of violent crimes based on victim counts,
6 as certified by the director of the MDSP. When a victim is connected to multiple offenses,
7 the victim is counted under the highest-ranked offense, as defined by the director of the
8 MDSP.

9 (v) "Violent crime rate" means the number of crimes per 100,000 people, determined by
10 dividing a particular city, village, or township violent crime count by the population,
11 then multiplying by 100,000 and rounding to the nearest whole number.

12 (d) As used in subsection (3):

13 (i) "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 (ii) "Facial recognition technology" means an automated or a semiautomated
17 technological process that assists in identifying or verifying an individual based on the
18 individual's face.

19

20 **BUREAU OF STATE LOTTERY**

21 Sec. 21-960. In addition to the funds appropriated in part 1 to the bureau of state
22 lottery, there is appropriated from state lottery fund revenues the amount necessary for,
23 and directly related to, implementing and operating lottery games under the McCauley-
24 Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities
25 under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152,
26 including expenditures for contractually mandated payments for vendor commissions,
27 contractually mandated payments for instant tickets intended for resale, the contractual
28 costs of providing and maintaining the online system communications network, and incentive
29 and bonus payments to lottery retailers.

30 Sec. 21-964. For the bureau of state lottery, there is appropriated 1% of the
31 lottery's immediately preceding fiscal year's gross sales for promotion and advertising.

32

1 **MICHIGAN GAMING CONTROL BOARD**

2 Sec. 21-970. As used in sections 21-971 to 21-979:

3 (a) "Compulsive gaming prevention fund" means the compulsive gaming prevention fund
4 created in section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL 432.253.

5 (b) "Fantasy contest fund" means the fantasy contest fund created in section 16 of
6 the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516.

7 (c) "First responder presumed coverage fund" means the first responder presumed
8 coverage fund created in section 405 of the worker's disability compensation act of 1969,
9 1969 PA 317, MCL 418.405.

10 (d) "Internet gaming fund" means the internet gaming fund created in section 16 of
11 the lawful internet gaming act, 2019 PA 152, MCL 432.316.

12 (e) "Internet sports betting fund" means the internet sports betting fund created in
13 section 16 of the lawful sports betting act, 2019 PA 149, MCL 432.416.

14 Sec. 21-971. (1) From the revenue collected by the Michigan gaming control board from
15 the total annual assessment of each casino licensee, funds are appropriated and must be
16 distributed as described in section 12a(5) of the Michigan Gaming Control and Revenue Act,
17 1996 IL 1, MCL 432.212a.

18 (2) The revenue collected in the internet sports betting fund is appropriated and
19 must be distributed in accordance with the lawful sports betting act, 2019 PA 149, MCL
20 432.401 to 432.419.

21 (3) The revenue collected in the internet gaming fund is appropriated and must be
22 distributed in accordance with the lawful internet gaming act, 2019 PA 152, MCL 432.301 to
23 432.322, and the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to
24 432.152.

25 Sec. 21-972. After all other required expenditures described in section 16(3) 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 are made, any money remaining in the fantasy
29 contest fund, internet gaming fund, and internet sports betting fund is appropriated and
30 must be deposited in the state school aid fund as described in section 16(3)(b) of the
31 fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the
32 lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful

1 sports betting act, 2019 PA 149, MCL 432.416.

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

5 (2) A local revenue sharing board described in subsection (1) shall comply with the
6 open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act,
7 1976 PA 442, MCL 15.231 to 15.246.

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

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

20 (5) The director of the MDSP and the executive director of the Michigan gaming
21 control board may assist the local revenue sharing boards in determining allocations to be
22 made to local public safety organizations.

23 Sec. 21-974. If revenues collected in the state services fee fund created in section
24 12a of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a, are less than
25 the amounts appropriated from the state services fee fund, available revenues must be used
26 to fully fund the appropriation in part 1 for casino gaming regulation activities before
27 distributions are made to other state departments and agencies. If the remaining revenue in
28 the state services fee fund is insufficient to fully fund appropriations to other state
29 departments or agencies, the shortfall must be distributed proportionally among those
30 departments and agencies.

31 Sec. 21-975. In expending the funds appropriated in part 1 for advertising for
32 responsible gaming, the Michigan gaming control board shall engage with MDHHS on strategies

1 to support addiction prevention and education efforts in addition to advertising for
2 responsible gaming. Not later than September 1, the Michigan gaming control board shall
3 submit a report to the standard report recipients on the expenditures and programming
4 funded from the appropriations in part 1 for advertising for responsible gaming.

5 Sec. 21-976. The executive director of the Michigan gaming control board may pay
6 rewards of not more than \$5,000.00 to a person who provides information that results in the
7 arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse
8 racing industry. A reward paid under this section must be paid out of the appropriation in
9 part 1 for the racing commission.

10 Sec. 21-977. All appropriations from the equine industry development fund created in
11 section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320, except for the racing
12 commission appropriations, must be reduced proportionately if revenues to the equine
13 industry development fund decline during the current fiscal year to a level lower than the
14 amount appropriated in part 1.

15 Sec. 21-978. The Michigan gaming control board shall use actual expenditure data in
16 determining the actual regulatory costs of conducting racing dates and shall submit a
17 report of that data to the standard report recipients and the senate and house of
18 representatives appropriations subcommittees on agriculture. The Michigan gaming control
19 board may not be reimbursed for more than the actual regulatory cost of conducting race
20 dates. In determining actual costs, the Michigan gaming control board shall take into
21 account that each specific breed of horse may require different regulatory mechanisms.

22 Sec. 21-979. From the funds appropriated in part 1 for millionaire party regulation,
23 the Michigan gaming control board may receive and expend internet gaming fund revenue in an
24 amount that is not more than the amount appropriated in part 1 for necessary expenses
25 incurred in the licensing and regulation of millionaire parties under article 2 of the
26 Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.132 to 432.152. Any unused
27 internet gaming fund revenues are subject to the distribution requirements in section 16 of
28 the lawful internet gaming act, 2019 PA 152, MCL 432.316.

29
30 **STATE BUILDING AUTHORITY**

31 Sec. 21-1100. (1) Subject to section 242 of the management and budget act, 1984 PA
32 431, MCL 18.1242, and on the approval of the state building authority, the department may

1 expend from the general fund of this state during the fiscal year an amount necessary to
2 meet the cash flow requirements of those state building authority projects solely for lease
3 to a state agency identified in both part 1 and this section, and for which state building
4 authority bonds or notes have not been issued, and for the sole acquisition by the state
5 building authority of equipment and furnishings for lease to a state agency as permitted by
6 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized
7 by an appropriations PA that is effective for the immediately preceding fiscal year. Any
8 general fund advances for which state building authority bonds have not been issued must
9 bear an interest cost to the state building authority at a rate that is not greater than
10 the rate earned by the state treasurer's common cash fund during the period in which the
11 advances are outstanding and are repaid to the general fund of this state.

12 (2) On sale of bonds or notes for the projects identified in part 1 or for equipment
13 as authorized by an appropriations PA and in this section, the state building authority
14 shall credit the general fund of this state an amount equal to the amount expended from the
15 general fund plus interest, if any, as described in this section.

16 (3) For state building authority projects for which bonds or notes have been issued
17 and on the request of the state building authority, the state treasurer shall make advances
18 without interest from the general fund as necessary to meet cash flow requirements for the
19 projects. The state building authority shall reimburse the state treasurer for the advances
20 when the investments earmarked for the financing of the projects mature.

21 (4) If a project identified in part 1 is terminated after final design is complete,
22 advances made on behalf of the state building authority for the costs of final design must
23 be repaid to the general fund in a manner recommended by the director of the state building
24 authority.

25 Sec. 21-1102. (1) The state building authority shall not release state building
26 authority funding to a university or community college to finance the construction or
27 renovation of a facility that collects revenue in excess of money required for the
28 operation of that facility unless the university or community college agrees to use that
29 excess revenue to reimburse the state building authority. The excess revenue received by
30 the state building authority as reimbursement must be credited to the general fund to
31 offset rent obligations associated with the retirement of bonds issued for the applicable
32 facility. The auditor general shall annually identify and audit the facilities that are

1 subject to this section. Costs associated with the administration of the audit must be
2 charged against money received by the state building authority as reimbursement under this
3 section.

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

7 Sec. 21-1103. Not later than October 15, the state building authority shall submit a
8 report to the standard report recipients and the JCOS regarding the status of construction
9 projects associated with state building authority bonds as of the end of the immediately
10 preceding fiscal year. Not later than 30 days after a refinancing or restructuring bond
11 issue is sold, the state building authority shall submit a report to the standard report
12 recipients and the JCOS regarding the status of construction projects associated with that
13 bond issue. Each report must include all of the following:

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

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

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

22 Sec. 21-1104. (1) The state building authority may expend revenues received under the
23 state building authority act, 1964 PA 183, MCL 830.411-830.425 and the Executive
24 Reorganization Order No. 2013-3, MCL 126.1393, for necessary salaries, wages, supplies,
25 contractual services, equipment, worker's compensation insurance premiums, grants to the
26 civil service commission retirement fund and the state employees' retirement fund, and
27 other expenses as allowed under those acts or executive reorganization orders.

28 (2) Not later than January 31, the state building authority shall submit a report to
29 the standard report recipients that includes both of the following for the immediately
30 preceding fiscal year:

31 (a) The amount and purpose of expenditures of \$250,000.00 or more that are made under
32 subsection (1) from rentals received by the state building authority that are in addition

1 to those appropriated in part 1.

2 (b) A list of reimbursement of revenue, if any.

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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, 2027:

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 2027 is estimated at
 4 \$50,204,395,300 in the 2027 appropriations acts and total state spending from state sources
 5 paid to local units of government for fiscal year 2027 is estimated at \$27,222,946,200. The
 6 state-local proportion is estimated at 54.22% of total state spending from state resources.

7 (2) If payments to local units of government and state spending from state sources
 8 for fiscal year 2027 are different than the amounts estimated in subsection (1), the state
 9 budget director shall report the payments to local units of government and state spending
 10 from state sources that were made for fiscal year 2027 to the senate and house of
 11 representatives standing committees on appropriations within 30 days after the final book-
 12 closing for fiscal year 2027.

13 Sec.22-202. The appropriations authorized under this bill are subject to the
 14 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

15 Sec. 22-211. (1) Pursuant to section 352 of the management and budget act, 1984 PA
 16 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out
 17 of the countercyclical budget and economic stabilization fund, the calculations required by
 18 section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as
 19 follows:

	<u>2025</u>	<u>2026</u>	<u>2027</u>
21 Michigan personal income (millions)	\$672,972	\$695,180	\$720,207
22 less: transfer payments	\$151,408	\$157,704	\$158,089
23 Subtotal	\$521,564	\$537,476	\$562,118
24 Divided by: Detroit Consumer Price Index	2.979	3.078	3.17
25 Equals: real adjusted Michigan personal			
26 income	\$175,089	\$174,604	\$177,311
27 Percentage change	N/A	-0.3%	1.6%
28 Growth rate in excess of 2%?	N/A	0.0%	0.0%
29 Equals: calculated transfer to countercyclical			
30 budget and economic stabilization fund for the			
31 fiscal year ending September 30, 2027 (millions)	N/A	\$0.0	
32 Growth rate less than 0%?	N/A	YES	

1 Appropriation from countercyclical budget and
 2 economic stabilization fund allowed for the
 3 fiscal year ending September 30, 2027?..... N/A \$538.7

4 (2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending
 5 September 30, 2027, from general fund/general purpose revenue for deposit into the
 6 countercyclical budget and economic stabilization fund the sum of \$0.00.

7

8 **REVENUE STATEMENT**

9 Sec. 22-301. Pursuant to section 18 of article V of the state constitution of 1963,
 10 fund balances and estimates are presented in the following statement:

11 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

12 (Amounts in millions)

13 Fiscal Year 2027

14

			Estimated
	Beginning	Estimated	Ending
	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
18 OPERATING FUNDS			
19 General fund/general purpose	319.7	13,310.0	19.9
20 School aid fund	753.3	21,974.0	2.0
21 Federal aid	0.0	31,047.2	0.0
22 Transportation funds	0.0	10,904.4	0.0
23 Special revenue funds	3,738.5	9,442.3	3,287.0
24 Other funds	1,817.2	54.2	1,871.4
25 TOTALS	\$6,628.7	\$86,732.1	\$5,180.3