

capacity as the named party in litigation against the state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

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

Prisoner reimbursement funds; expenditures.

Sec. 309. From the prisoner reimbursement funds appropriated in part 1, the department may spend up to \$400,000.00 on activities related to the state correctional facilities reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners. Any unexpended funds at the end of the fiscal year are carried forward for expenditure in the following fiscal year up to the maximum authorization of \$1,000,000.00.

Child support enforcement; cooperative agreement with family independence agency; access to information.

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

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

DEPARTMENT OF CIVIL RIGHTS

Receipt and expenditure of funds; purposes; report.

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

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

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

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

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

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

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

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

Equal employment opportunity compliance of potential contractors; review; contract with local units of government.

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

DEPARTMENT OF CIVIL SERVICE

Financing from restricted sources.

Sec. 502. (1) All restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the department of civil service on the basis of actual 1% restricted sources total aggregate payroll of the classified service for fiscal year 2004 in accordance with section 5 of article XI of the state constitution of 1963. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

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

Flexible spending account program; deposit; use of unspent funds.

Sec. 503. Except where specifically appropriated for this purpose, 1% of the financing from restricted sources shall be credited to the department of civil service. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy departmental operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Flexible spending accounts; funding.

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

Child care centers accommodating state employees; feasibility report.

Sec. 505. The department of civil service, in cooperation with the office of the state employer, shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government by January 15, 2005 regarding the feasibility of establishing quality child care centers to accommodate the needs of state employees in either state or privately owned buildings. The study shall provide information, including, but not limited to, the possible locations, including state or privately owned buildings, the potential number of children that the centers would serve, possible federal funding sources available, the benefits of work behavior and attitudes to employees and employers, and the estimated cost of the program. The estimated costs shall be funded from fees charged to employees who utilize the child care services provided by the centers.

INFORMATION TECHNOLOGY**Advertising on state website; receipt and expenditure of funds; privacy policy; report.**

Sec. 573. (1) The department of information technology may sell and accept paid advertising for placement on any state website under its jurisdiction. The department shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the department. Revenue received under this subsection will be used for operating costs of the department and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall be deposited in the state general fund.

(2) Funds accepted by the department of information technology under subsection (1) are appropriated and allotted when received and may be expended upon receipt.

(3) The privacy policy adopted by the department of information technology shall include the following provisions:

(a) Instruction on how visitors can set their browsers to be warned before each cookie is written to a visitor's computer.

(b) The e-Michigan office will also include instructions for visitors to inform them how to view and remove cookies on their personal computers.

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

Providing information and technical services; agreements.

Sec. 574. The department of information technology may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of information technology may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The department of information technology may expend amounts received for salaries,

supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the department will provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government, detailing the sources of funding and expenditures made under this section.

Historical and current data contained in MAIN; access.

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

“Information technology services” defined.

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

- (a) Application development and maintenance.
- (b) Desktop computer support and management.
- (c) Mainframe computer support and management.
- (d) Server support and management.
- (e) Local area network support and management.
- (f) Information technology contract, project, and procurement management.
- (g) Information technology planning and budget management.
- (h) Telecommunication services, security, infrastructure, and support.
- (i) Software and software licensing.

Michigan public safety communications system; access; fees; deposit of money received; report.

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

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

(3) All money received by the department of information technology under this section shall be deposited to the state general fund pursuant to section 443 of the management and budget act, 1984 PA 431, MCL 18.1443.

(4) The department of information technology shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director on April 15 and on October 15, indicating the amount of revenue collected under this section and deposited to the state general fund for the immediately preceding 6-month period.

Report.

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

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

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

Life-cycle of information technology hardware and software; report.

Sec. 579. The department of information technology shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Business modernization project.

Sec. 580. (1) From the funds appropriated in part 1 to general services, for the department of state, there is appropriated \$3,450,000.00 for the business application modernization project. Funds shall only be used for the development, implementation, and maintenance of the business application modernization project.

(2) The unexpended funds appropriated in part 1 for the business application modernization project are designated as work project appropriations and shall not lapse at the end of the fiscal year. Any unencumbered or unallotted funds are carried over into the succeeding fiscal year and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$30,000,000.00, and the tentative completion date is September 30, 2008.

LEGISLATURE

Receipt, expenditure, and transfer of funds.

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

Appropriation of funds within legislative branch.

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

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

Rent charges; utility assessments.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Farnum building and other properties.

National association dues.

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

Legislative parking facilities.

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

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

Michigan manual.

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

Building maintenance; purchase of equipment and services.

Sec. 606. The appropriations in part 1 to the legislative branch, for property management, shall be used to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment. These funds, along with funds previously appropriated for property management, are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00, and the tentative completion date is September 30, 2006.

Data processing requirements and technology improvements.

Sec. 606a. The appropriations in part 1 to the legislative branch, for automated data processing, shall be used to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements. These funds, along with funds previously appropriated for automated data processing, are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00, and the tentative completion date is September 30, 2006.

Save the flags fund.

Sec. 607. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year, and shall be carried forward for expenditure in the following fiscal years.

E-Law project.

Sec. 608. Funds appropriated in part 1 for e-Law, the legislative council's technology enhancement project, shall be used to support technology improvements for legislative functions performed by the legislative council agencies and to provide greater access to the public regarding legislative information. These funds, along with funds previously appropriated for the legislative session integration system, are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$3,992,750.00, and the tentative completion date is September 30, 2006.

Health insurance benefits for unmarried domestic partners; prohibition.

Sec. 609. The funds appropriated in part 1 shall not be used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative employees.

Audits.

Sec. 611. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the judicial branch. The audits may include the supreme court and its administrative units, the court of appeals, and trial courts.

Accounting firms owned and operated by minorities, women, and persons with disabilities.

Sec. 612. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

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

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

Salaries.

Sec. 613. From the funds appropriated in part 1 to the legislative auditor general, the legislative auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Audits, reviews, and investigations; estimate of costs; supplemental funding.

Sec. 614. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators should include an estimate of the additional costs involved and, when those costs exceed \$50,000.00, should provide supplemental funding. The auditor general will determine whether to perform those activities in keeping with Audit Directive No. 29, which describes the office of auditor general policy on responding to legislative requests.

DEPARTMENT OF MANAGEMENT AND BUDGET**Acquisition and distribution of federal surplus property.**

Sec. 702. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the

management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department of management and budget to offset costs incurred in the acquisition and distribution of federal surplus property.

Receipt and expenditure of funds.

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

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

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

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

Appropriations from employer contributions; funding child care information and referral services, severance pay, and professional development.

Sec. 705. (1) The appropriation in part 1 to the department of management and budget, for statewide appropriations from employer contributions, represents amounts included within the various appropriations for longevity and insurance, whether appropriated as a single line item or commingled with program line items, throughout state government for the current fiscal year for purposes of funding the child care information and referral services, severance pay funds, and professional development funds included within statewide appropriations. Deposits against the interdepartmental grant from employer contributions shall be made from assessments levied against the longevity and insurance appropriations during the current fiscal year in a manner prescribed by the department of management and budget. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) From the funds appropriated in part 1 to the department of management and budget for professional development funds and child care information and referral services, the department of management and budget may expend funds for staff support associated with administration of the professional development funds and child care information and referral services in amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process.

(3) In addition to the funds appropriated in part 1 for severance pay funds, the department of management and budget may receive and expend funds from other state agencies for staff support associated with the administration of these funds.

(4) In addition to the funds appropriated in part 1 to the department of management and budget, for statewide appropriations from employer contributions, the department of management and budget may receive and expend funds in such additional amounts as may

be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsections (1), (2), and (3).

Special revenue internal service and pension trust funds.

Sec. 706. To the extent a specific appropriation is required for a detail source of financing included in part 1 for the department of management and budget appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Implementation of donated annual leave and administrative leave bank transfer provisions.

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

MAIN; source of financing.

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

Building occupancy and parking charges.

Sec. 709. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department of management and budget. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

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

Increase or decrease for computer software development, hardware acquisition, or quality assurance; notice.

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

Invitation for bid or request for proposal; notice.

Sec. 711. The department of management and budget shall maintain an Internet website that contains notice of all invitations for bids and requests for proposals over \$50,000.00 issued by the department or by any state agency operating under delegated authority. The department shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the Internet website, except in situations where it would be in the best interest of the state and documented by the department. In addition to the requirements of this section, the department may advertise the invitations for bids and requests for proposals in any manner the department determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Vietnam veterans memorial monument fund.

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

Michigan veterans' memorial park commission; receipt and expenditure of funds.

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

Costs of publication and distribution.

Sec. 714. Funds collected by the department of management and budget under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the costs of publication and distribution. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

State motor vehicles.

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

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

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

(4) It is the intent of the legislature that the department of management and budget complete a project plan which results in the reduction of expenditures related to vehicle travel services, to include a reduction in the number of state vehicles in the motor vehicle fleet. The department shall report quarterly to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies on the status of the project plan to reduce vehicle travel service expenditures and the number of cars in the motor vehicle fleet.

(5) It is the intent of the legislature that the department determine the feasibility of using driver record information upon the issuance of state cars to state employees in order to ensure responsibility and safety.

Products or services offered by Michigan-based firms; preference.

Sec. 716. The department of management and budget shall adopt policies and procedures necessary for compliance by the department, other state departments and agencies, and state vendors and subcontractors, with the requirement under subsection (1) of section 261 of the management and budget act, 1984 PA 431, MCL 181.261, to provide a purchasing preference for products manufactured or services offered by Michigan-based firms.

Contracts; determination of best interests of state.

Sec. 717. In determining whether the purchase, contracting for, providing of supplies, materials, services, insurance, utilities, third-party financing, equipment, printing, and other items needed by state departments or agencies is in the best interests of this state, and in making all discretionary decisions concerning the solicitation, award, amendment, cancellation, or appeal of state contracts, the department of management and budget shall consider all of the following:

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

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

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

(d) Whether the acquisition of goods or services from a vendor that is an expatriated business entity located in a tax haven country or an affiliate of an expatriated business entity located in a tax haven country would be detrimental to the state of Michigan, its residents, or the state's economy. As used in this section, "expatriated business entity" means a corporation or an affiliate of the corporation incorporated in a tax haven country after September 11, 2001, but with the United States as the principal market for the public trading of the corporation's stock, as determined by the director of the department of management and budget. "Tax haven country" means each of the following: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the Principality of Liechtenstein, the Principality of Monaco, and the Republic of the Seychelles.

(e) Whether the provision of services to this state at a location outside of this state or the United States would be detrimental to the privacy interests of Michigan residents, or

risk the disclosure of personal information of Michigan residents, such as social security, financial, or medical data.

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

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

Information required from vendors.

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

(a) Information relating to the location of work performed under a state contract by the vendor and any subcontractors, employees, or other persons performing a state contract.

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

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

Call or contact center.

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

Building occupancy general fund expenditures; reduction.

Sec. 720. The department of management and budget shall reduce building occupancy general fund expenditures by \$700,000.00. The state budget director is authorized to take any actions necessary to properly record expenditure reductions as part of the financial transactions for the fiscal year ending September 30, 2005.

Michigan law enforcement officers memorial monument fund.

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

DEPARTMENT OF STATE

Expenditure of funds under insurance code of 1956.

Sec. 802. All funds made available by section 3171 of the insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated and made available to the department of state to

be expended only for the uses and purposes for which the funds are received as provided by sections 3171 to 3177 of the insurance code of 1956, 1956 PA 218, MCL 500.3171 to 500.3177.

Sale of records.

Sec. 803. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$7.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The department shall use the revenue received from the sale of records for necessary expenses as appropriated in part 1. The balance of the fee revenue remaining on September 30 shall revert to the general fund.

Manufacture of vehicle registration plates; agreement with department of corrections.

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

Manuals and other publications; funding; advertisements; disposition of funds; report; sale.

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

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

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

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

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

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

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

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

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

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

Publication costs.

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

Traffic accident records program.

Sec. 807. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of \$315,900.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Branch office operations; cash shortages; restricted funds.

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

Commemorative and specialty license plate fee revenue.

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

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

Olympic education training center.

Sec. 810. Funds or revenues in the Olympic education training center fund are appropriated for distribution to the Olympic education training center at Northern Michigan University. Distributions shall occur on a quarterly basis. Any undistributed revenue remaining at the end of the fiscal year shall be carried over into the next fiscal year.

Automotive repair facilities; training video; sale.

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

Michigan organ donor program; public information campaign.

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

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

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

Collector plate and fund-raising registration plate revenues.

Sec. 813. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Organ donations; pamphlet.

Sec. 814. (1) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

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

Branch office closings, consolidations, or relocations; information provided to legislature; notice; report.

Sec. 815. (1) At least 60 days prior to the announcement of secretary of state branch office closings, consolidations, or relocations, the department of state shall inform members

of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analysis done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The above written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure.

(2) Prior to November 1, 2004, the department of state shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government regarding the department's branch optimization plan that was announced on April 26, 2004. The report shall include a listing of all closed offices detailing savings by office, including lease, utilities, and all other savings associated with the closed office. The department shall provide the same level of detail regarding costs for new leased facilities and expansions of current leased space.

Service assessment collected from user of credit or debit card.

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

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

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

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

Motorcycle safety education.

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

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

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

(4) Funds in part 1 for motorcycle safety education grants and administration may be used by the department of state for administration costs of the motorcycle safety education

program, to include, but not be limited to, review and approval or disapproval of grant applications, monitoring eligibility of motorcycle safety instructors, conducting program evaluation, certifying third-party testers, and inspecting training sites.

(5) Funds appropriated in part 1 for motorcycle safety equipment shall be used to purchase motorcycle safety equipment for use by public instructional providers of motorcycle safety education courses.

Business application modernization project.

Sec. 819. (1) From the funds appropriated in part 1 to the department of state, for information technology services and projects, there is appropriated \$3,450,000.00 for the business application modernization project. Funds shall only be used for the development, implementation, and maintenance of the business application modernization project.

(2) The unexpended funds appropriated in part 1 for the business application modernization project are designated as work project appropriations and shall not lapse at the end of the fiscal year. Any unencumbered or unallotted funds are carried over into the succeeding fiscal year and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$30,000,000.00, and the tentative completion date is September 30, 2008.

DEPARTMENT OF TREASURY

OPERATIONS

Debt service on notes and bonds.

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

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

Collection costs and fees.

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

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in

part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 22% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

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

Investment services; fees; costs; report.

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

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

Local government assistance manuals.

Sec. 905. The department of treasury shall sell copies of the state tax manual, uniform accounting procedures manual, general property tax law manual, and other local government assistance manuals with amendments, at a price not to exceed the cost of printing. The revenue received from the sale of preparation and local government assistance manuals shall revert to the department of treasury and be placed in the local government assistance manual revolving fund.

Audits.

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

(2) The appropriation in part 1 to the department of treasury, for state compliance audits, shall be used to cover the cost of the state audits performed by independent certified public accountants or department of treasury auditors. The scope of the state audit shall be defined by the state treasurer. The state audits shall be performed by independent certified public accountants contracted with by the state treasurer or by

department of treasury auditors, if the county has agreed to contract with and pay the department for their financial single audit.

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

Assessor certification and training fund.

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

Home heating assistance.

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

Airport parking tax.

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

Disbursement from bottle deposit fund.

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

Refundable income tax credits; payment; funding.

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

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

Garnishment action.

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

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

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

Senior citizen cooperative housing units; appraisal and appeal; audit report.

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

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

Ehlers internship award account; Rosenthal prize for interns.

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

State campaign fund.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2004. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31, 2006 shall revert to the general fund.

Customized unclaimed property listings of nonconfidential information; availability.

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

Write-offs and advances.

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

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

Tax orientation workshops and seminars.

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

Unclaimed property; contracts for audit and collection; report.

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

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

Sleeping Bear Dunes national lakeshore; payment.

Sec. 920. Payments from the appropriation in part 1 to the department of treasury for grants to counties in lieu of taxes for lands transferred to the federal government include a payment for Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901 to 3.910.

Reimbursements to public libraries under Michigan renaissance zone act.

Sec. 921. The state general fund/general purpose appropriation in part 1 for renaissance zone reimbursement is allocated to reimburse public libraries as provided by section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for property taxes levied in 2004. Reimbursements shall be made in amounts to each eligible recipient not later than 60 days after the department of treasury certifies to the department that it has received all necessary information to properly determine the amounts due each eligible recipient under section 12(4) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692. Any excess allocations shall lapse to the general fund.

Michigan transportation fund revenue; report on collection and cost of collection.

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

Taxpayer audit; initiation; handbook of audit and collection procedures.

Sec. 923. Notwithstanding any other provision of this act, the department of treasury shall not expend any funds on initiating a new audit of any taxpayer until the department

fully and completely complies with section 4(3) of 1941 PA 122, MCL 205.4. This provision shall not require the department to disclose audit selection or processing criteria as provided by section 28(1)(f) of 1941 PA 122, MCL 205.28. The department shall publish the required handbook which informs taxpayers and tax preparers of audit and collection procedures used by the department and procedures which govern departmental communications with taxpayers in the audit and collection process. The department may comply with this publishing requirement by making the audit information available to taxpayers and tax preparers through the department's website on the Internet.

Homestead property tax exemption audits.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend homestead property tax exemption audit fund revenue for administration of homestead property tax exemption audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than December 31, stating the amount of revenue appropriated for homestead property tax exemption audits under subsection (1).

Qualified agricultural loan payments.

Sec. 927. In addition to the funds appropriated in part 1, any unexpended balance from funds authorized in 2003 PA 161 for qualified agricultural loan payments are appropriated and may be used for payments as provided in section 2a of 1855 PA 105, MCL 21.142a.

Services provided on contractual basis.

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

Data or collection services.

Sec. 929. The department of treasury may enter into agreements to supply data or collection services to other executive principal departments or state agencies, the United States department of treasury, or local units of government within this state. The department of treasury shall charge for this tax data service and amounts received are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the service.

Accounts receivable collections.

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

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

Value of state managed investments; fees assessed against restricted fund.

Sec. 931. The appropriation in part 1 to the department of treasury, for treasury fees, shall be assessed against all restricted funds that contribute to the total value of state managed investments in the ratio each restricted fund contributes to the total value of state managed investments. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund.

Expenditures by board of directors of Michigan education trust.

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1444, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Michigan education savings program; incentive program.

Sec. 933. (1) The \$1,000,000.00 appropriated in part 1 for the Michigan education savings program is from the Michigan merit award trust fund to fund an incentive program for the Michigan education savings program created under the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.

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

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

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

Expenditure of revenues received under hospital finance authority act.

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

Expenditure of revenues received under shared credit rating act.

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

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

Expenditure of revenues received under higher education facilities authority.

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

Expenditure of revenues received under Michigan public educational facilities authority.

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

State treasurer as investment fiduciary for public employee pension funds; considerations.

Sec. 939. It is the intent of the legislature that the state treasurer, acting within his or her capacity as the investment fiduciary for public employee pension funds and consistent with 1965 PA 314, MCL 38.1121 to 38.1140m, give appropriate consideration to investments in early stage, university derived life science companies located in Michigan, or investments in venture capital funds that invest in those companies to the extent those investments offer the safety and rate of return comparable to other investments permitted and available at the time the investment decision is made.

Personal property tax audits; hiring civil service employees or contractors.

Sec. 940. The appropriation in part 1 for personal property tax auditors shall be used to hire state classified civil service employees or contractors under the department's supervision to perform personal property tax audits.

REVENUE SHARING

General revenue sharing grants.

Sec. 950. (1) Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to townships, cities, and villages on a population basis as specified by law. The appropriation in part 1 for statutory state general revenue sharing grants to townships, cities, and villages shall be reduced by an amount equal to any additional constitutional revenue sharing appropriations authorized in this section.

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

General revenue sharing grants; compliance with state school aid act.

Sec. 951. County treasurers shall comply with section 151 of the state school aid act of 1979, 1979 PA 94, MCL 388.1751, to receive funds under part 1 for the statutory state general revenue sharing grant payments in excess of the constitutional state general revenue sharing grant payments. The payment of funds under part 1 for the statutory state general revenue sharing grant payments in excess of the constitutional state general revenue sharing grant payments shall not be withheld if a local unit of government or the department of treasury fails to provide a county treasurer with information necessary to comply with section 151 of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

Special grants to cities; restoration of revenue sharing reductions.

Sec. 952. The appropriation in part 1 for special grants to cities shall be used to restore revenue sharing reductions contained in Executive Order No. 2003-23 to a city that had an emergency financial manager appointed pursuant to the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291, continuously from December 10, 2003 through September 30, 2005.

County revenue sharing payments.

Sec. 953. (1) The appropriation in part 1 for county revenue sharing payments shall be distributed on a 1-time basis to counties with a fiscal year ending September 30.

(2) A county with a fiscal year ending September 30 that accrued the October 2003 revenue sharing payment to its 2003 fiscal year shall receive in October 2004 a payment equal to the amount distributed to that county in October 2003 pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

(3) Not later than March 1, 2005, each county with a fiscal year ending September 30 shall pay to the state treasurer the amount of the distribution received under this section from its revenue sharing reserve fund established under section 44a of the general property tax act, 1893 PA 206, MCL 211.44a.

Expenditure from revenue sharing reserve fund.

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

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

LOTTERY**Implementation and operation of lottery games.**

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from lottery revenues the amount necessary for, and directly related to, implementing and operating lottery games. Appropriations under this section shall only be expended for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual

costs of providing and maintaining the on-line system communications network, and incentive and bonus payments to lottery retailers.

Individuals less than 18 years of age; direction of promotional efforts prohibited.

Sec. 961. The funds appropriated in part 1 to the bureau of state lottery shall not be used for any promotional efforts directed towards individuals who are less than 18 years of age.

Association of sports figures with lottery prohibited; exception.

Sec. 962. (1) The funds appropriated in part 1 to the bureau of state lottery shall not be used to directly or indirectly associate professional or amateur sports figures with the lottery or its products.

(2) The prohibition in subsection (1) does not apply to the use of NASCAR drivers in conjunction with the promotion of instant ticket products. By November 1, 2005, the bureau of state lottery shall provide a report detailing the amount of revenue generated under this subsection to the senate and house of representatives standing committees on appropriations subcommittees on general government. The report shall include the cost of obtaining the use of NASCAR drivers, other administrative costs, and net revenue deposited in the state school aid fund.

Family independence agency bridge cards; use of cash side prohibited.

Sec. 963. The bureau of state lottery shall inform all lottery retailers that the cash side of family independence agency bridge cards cannot be used to purchase lottery tickets.

CASINO GAMING

Deposit of certain revenue to state school aid fund.

Sec. 970. Revenue collected by the Michigan gaming control board regarding the wagering tax imposed on adjusted gross receipts received by the licensee from gaming authorized under the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226, at the rate of 8.15% is appropriated and shall be deposited in the state school aid fund to provide additional funds for K-12 classroom education.

Deposit of certain revenue to compulsive gaming prevention fund.

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

Casino gaming oversight.

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

Local revenue sharing board.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497, 102 Stat. 2467.

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

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

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

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

Casino gaming regulation activities; funding; shortfall.

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

REVENUE STATEMENT

Fund balances and estimates; statement.

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

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2004-2005

	Fund	Beginning Unreserved Fund Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS				
General fund/general purpose	0110	0.0	8,622.6	0.0
General fund/special purpose		254.8	12,490.0	6.1
Special Revenue Funds:				
Countercyclical budget and economic stabilization.....	0111	0.0	154.0	0.0
Game and fish protection	0112	12.2	62.6	6.4
Michigan employment security act administration	0113	1.9	92.7	0.2
State aeronautics	0114	3.1	218.1	0.0
Michigan veterans' benefit trust.....	0115	0.0	2.3	0.0
State trunkline	0116	0.0	1,854.8	0.0
Michigan state waterways	0117	2.9	24.0	5.1

Blue Water Bridge	0118	0.0	13.4	0.0
Michigan transportation	0119	0.0	2,037.8	0.0
Comprehensive transportation	0120	0.0	302.8	0.0
School aid	0122	0.0	12,441.8	0.0
Marine safety	0123	0.0	4.8	0.0
Game and fish protection trust	0124	6.0	10.5	6.0
State park improvement	0125	1.9	33.5	0.0
Forest development	0126	0.0	22.0	0.0
Michigan civilian conservation corps endowment.....	0128	0.2	1.0	0.1
Michigan natural resources trust	0129	15.5	38.3	12.6
Michigan state parks endowment.....	0130	8.9	16.3	10.0
Safety education and training	0131	5.2	7.7	5.5
Bottle deposit	0136	0.0	20.3	0.0
State construction code	0138	11.1	8.4	3.2
Children's trust	0139	1.2	3.3	0.0
State casino gaming	0140	0.6	30.1	0.6
Homeowner construction lien recovery ...	0141	3.0	0.4	1.9
Michigan nongame fish and wildlife	0143	0.2	0.6	0.1
Michigan merit award trust.....	0154	0.4	204.1	0.5
Tobacco settlement trust	0155	6.4	68.0	0.5
TOTALS.....		\$335.5	\$38,786.2	\$58.8

This act is ordered to take immediate effect.
 Approved September 17, 2004.
 Filed with Secretary of State September 17, 2004.

[No. 328]

(SB 1252)

AN ACT to amend 1961 PA 236, entitled "An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts," by amending section 2543 (MCL 600.2543), as amended by 1986 PA 308.

The People of the State of Michigan enact:

600.2543 Circuit court reporters or recorders; fees for transcripts; fees as part of taxable costs.

Sec. 2543. (1) The circuit court reporters or recorders are entitled to demand and receive per page for a transcript ordered by any person the sum of \$1.75 per original page and 30 cents per page for each copy, unless a lower rate is agreed upon. For a transcript ordered by the circuit judge, reporters or recorders are entitled to receive from the county the same compensation. The supreme court, by administrative order or court rule,

may authorize the payment to circuit court reporters or recorders the sum of \$3.00 per original page and 50 cents per page for each copy for transcripts ordered and timely filed as part of a program of differentiated case management for appeals of civil cases in which the circuit court either grants or denies summary disposition. If a transcript ordered under a program of differentiated case management is not timely filed, the circuit court reporter or recorder is not entitled to receive the increased rate for that transcript.

(2) Only if the transcript is desired for the purpose of moving for a new trial or preparing a record for appeal shall the amount of reporters' or recorders' fees paid for the transcript be recovered as a part of the taxable costs of the prevailing party in the motion, in the court of appeals or the supreme court.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 329]

(HB 6021)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," by amending section 17766 (MCL 333.17766), as amended by 1990 PA 30, and by adding section 17766d.

The People of the State of Michigan enact:

333.17766 Additional conduct constituting misdemeanor.

Sec. 17766. Except as provided in section 17766d, a person who does any of the following is guilty of a misdemeanor:

(a) Obtains or attempts to obtain a prescription drug by giving a false name to a pharmacist or other authorized seller, prescriber, or dispenser.

(b) Obtains or attempts to obtain a prescription drug by falsely representing that he or she is a lawful prescriber, dispenser, or licensee, or acting on behalf of a lawful prescriber, dispenser, or licensee.

(c) Falsely makes, utters, publishes, passes, alters, or forges a prescription.

(d) Knowingly possesses a false, forged, or altered prescription.

(e) Knowingly attempts to obtain, obtains, or possesses a drug by means of a prescription for other than a legitimate therapeutic purpose, or as a result of a false, forged, or altered prescription.

(f) Possesses or controls for the purpose of resale, or sells, offers to sell, dispenses, or gives away, a drug, pharmaceutical preparation, or chemical that has been dispensed on prescription and has left the control of a pharmacist.

(g) Possesses or controls for the purpose of resale, or sells, offers to sell, dispenses, or gives away, a drug, pharmaceutical preparation, or chemical that has been damaged by heat, smoke, fire, water, or other cause and is unfit for human or animal use.

(h) Prepares or permits the preparation of a prescription drug, except as delegated by a pharmacist.

(i) Sells a drug in bulk or in an open package at auction, unless the sale has been approved in accordance with rules of the board.

333.17766d Pharmacy operated by department of corrections or under contract with county jail; resale or redistribution of prescription drug; definitions.

Sec. 17766d. (1) Notwithstanding section 17766(f), a pharmacy operated by the department of corrections or under contract with the department of corrections or a county jail may accept for the purpose of resale or redispensing a prescription drug that has been dispensed and has left the control of the pharmacist if the prescription drug is being returned by a state correctional facility or a county jail that has a licensed physician's assistant, a registered professional nurse, or a licensed practical nurse, who is responsible for the security, handling, and administration of prescription drugs within that state correctional facility or county jail and if all of the following are met:

(a) The pharmacist is satisfied that the conditions under which the prescription drug has been delivered, stored, and handled before and during its return were such as to prevent damage, deterioration, or contamination that would adversely affect the identity, strength, quality, purity, stability, integrity, or effectiveness of the prescription drug.

(b) The pharmacist is satisfied that the prescription drug did not leave the control of the registered professional nurse or licensed practical nurse responsible for the security, handling, and administration of that prescription drug and that the prescription drug did not come into the physical possession of the individual for whom it was prescribed.

(c) The pharmacist is satisfied that the labeling and packaging of the prescription drug are accurate, have not been altered, defaced, or tampered with, and include the identity, strength, expiration date, and lot number of the prescription drug.

(d) The prescription drug was dispensed in a unit dose package or unit of issue package.

(2) A pharmacy operated by the department of corrections or under contract with the department of corrections or a county jail shall not accept for return prescription drugs as provided under this section until the pharmacist in charge develops a written set of protocols for accepting, returning to stock, repackaging, labeling, and redispensing prescription drugs. The written protocols shall be maintained on the premises and shall be readily

accessible to each pharmacist on duty. The written protocols shall include, at a minimum, each of the following:

(a) Methods to ensure that damage, deterioration, or contamination has not occurred during the delivery, handling, storage, and return of the prescription drugs which would adversely affect the identity, strength, quality, purity, stability, integrity, or effectiveness of those prescription drugs or otherwise render those drugs unfit for distribution.

(b) Methods for accepting, returning to stock, repackaging, labeling, and redispensing the prescription drugs returned under this section.

(c) A uniform system of recording and tracking prescription drugs that are returned to stock, repackaged, labeled, and redistributed under this section.

(3) If the integrity of a prescription drug and its package is maintained, a prescription drug returned under this section shall be returned to stock and redistributed as follows:

(a) A prescription drug that was originally dispensed in the manufacturer's unit dose package or unit of issue package and is returned in that same package may be returned to stock, repackaged, and redispensed as needed.

(b) A prescription drug that is repackaged into a unit dose package or a unit of issue package by the pharmacy, dispensed, and returned to that pharmacy in that unit dose package or unit of issue package may be returned to stock, but it shall not be repackaged. A unit dose package or unit of issue package prepared by the pharmacist and returned to stock shall only be redispensed in that same unit dose package or unit of issue package and shall only be redispensed once. A pharmacist shall not add unit dose package drugs to a partially used unit of issue package.

(4) This section does not apply to any of the following:

(a) A controlled substance.

(b) A prescription drug that is dispensed as part of a customized patient medication package.

(c) A prescription drug that is not dispensed as a unit dose package or a unit of issue package.

(d) A prescription drug that is not properly labeled with the identity, strength, lot number, and expiration date.

(e) A prescription drug that is dispensed in a medical institution and returned to stock for redistribution in accordance with R 338.486 of the Michigan administrative code.

(5) As used in this section:

(a) "County jail" means a facility operated by a county for the physical detention and correction of persons charged with, or convicted of, criminal offenses or ordinance violations or persons found guilty of civil or criminal contempt.

(b) "Customized patient medication package" means a package that is prepared by a pharmacist for a specific patient that contains 2 or more prescribed solid oral dosage forms.

(c) "Repackage" means a process by which the pharmacy prepares a unit dose package, unit of issue package, or customized patient medication package for immediate dispensing pursuant to a current prescription.

(d) "State correctional facility" means a facility or institution that houses a prisoner population under the jurisdiction of the department of corrections.

(e) "Unit dose package" means a package that contains a single dose drug with the name, strength, control number, and expiration date of that drug on the label.

(f) “Unit of issue package” means a package that provides multiple doses of the same drug, but each drug is individually separated and includes the name, lot number, and expiration date.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 330]

(HB 4742)

AN ACT to amend 1927 PA 175, entitled “An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act,” by amending section 3 of chapter XI (MCL 771.3), as amended by 2004 PA 219.

The People of the State of Michigan enact:

CHAPTER XI

771.3 Probation; conditions; entry of order into LEIN; costs as part of sentence of probation; compliance as condition of probation; revocation of probation; fees in delayed or deferred sentencing.

Sec. 3. (1) The sentence of probation shall include all of the following conditions:

(a) During the term of his or her probation, the probationer shall not violate any criminal law of this state, the United States, or another state or any ordinance of any municipality in this state or another state.

(b) During the term of his or her probation, the probationer shall not leave the state without the consent of the court granting his or her application for probation.

(c) The probationer shall report to the probation officer, either in person or in writing, monthly or as often as the probation officer requires. This subdivision does not apply to a juvenile placed on probation and committed under section 1(3) or (4) of chapter IX to an institution or agency described in the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(d) If sentenced in circuit court, the probationer shall pay a probation supervision fee as prescribed in section 3c of this chapter.

(e) The probationer shall pay restitution to the victim of the defendant's course of conduct giving rise to the conviction or to the victim's estate as provided in chapter IX. An order for payment of restitution may be modified and shall be enforced as provided in chapter IX.

(f) The probationer shall pay an assessment ordered under section 5 of 1989 PA 196, MCL 780.905.

(g) The probationer shall pay the minimum state cost prescribed by section 1j of chapter IX.

(h) If the probationer is required to be registered under the sex offenders registration act, 1994 PA 295, MCL 28.721 to 28.732, the probationer shall comply with that act.

(2) As a condition of probation, the court may require the probationer to do 1 or more of the following:

(a) Be imprisoned in the county jail for not more than 12 months, at the time or intervals, which may be consecutive or nonconsecutive, within the probation as the court determines. However, the period of confinement shall not exceed the maximum period of imprisonment provided for the offense charged if the maximum period is less than 12 months. The court may permit day parole as authorized under 1962 PA 60, MCL 801.251 to 801.258. The court may permit a work or school release from jail. This subdivision does not apply to a juvenile placed on probation and committed under section 1(3) or (4) of chapter IX to an institution or agency described in the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(b) Pay immediately or within the period of his or her probation a fine imposed when placed on probation.

(c) Pay costs pursuant to subsection (5).

(d) Pay any assessment ordered by the court other than an assessment described in subsection (1)(f).

(e) Engage in community service.

(f) Agree to pay by wage assignment any restitution, assessment, fine, or cost imposed by the court.

(g) Participate in inpatient or outpatient drug treatment or, beginning January 1, 2005, participate in a drug treatment court under chapter 10A of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060 to 600.1082.

(h) Participate in mental health treatment.

(i) Participate in mental health or substance abuse counseling.

(j) Participate in a community corrections program.

(k) Be under house arrest.

(l) Be subject to electronic monitoring.

(m) Participate in a residential probation program.

(n) Satisfactorily complete a program of incarceration in a special alternative incarceration unit as provided in section 3b of this chapter.

(o) Be subject to conditions reasonably necessary for the protection of 1 or more named persons.

(p) Reimburse the county for expenses incurred by the county in connection with the conviction for which probation was ordered as provided in the prisoner reimbursement to the county act, 1984 PA 118, MCL 801.81 to 801.93.

(q) Complete his or her high school education or obtain the equivalency of a high school education in the form of a general education development (GED) certificate.

(3) The court may impose other lawful conditions of probation as the circumstances of the case require or warrant or as in its judgment are proper.

(4) If an order or amended order of probation contains a condition for the protection of 1 or more named persons as provided in subsection (2)(o), the court or a law enforcement agency within the court's jurisdiction shall enter the order or amended order into the law enforcement information network. If the court rescinds the order or amended order or the condition, the court shall remove the order or amended order or the condition from the law enforcement information network or notify that law enforcement agency and the law enforcement agency shall remove the order or amended order or the condition from the law enforcement information network.

(5) If the court requires the probationer to pay costs under subsection (2), the costs shall be limited to expenses specifically incurred in prosecuting the defendant or providing legal assistance to the defendant and supervision of the probationer.

(6) If the court imposes costs under subsection (2) as part of a sentence of probation, all of the following apply:

(a) The court shall not require a probationer to pay costs under subsection (2) unless the probationer is or will be able to pay them during the term of probation. In determining the amount and method of payment of costs under subsection (2), the court shall take into account the probationer's financial resources and the nature of the burden that payment of costs will impose, with due regard to his or her other obligations.

(b) A probationer who is required to pay costs under subsection (1)(g) or (2)(c) and who is not in willful default of the payment of the costs may petition the sentencing judge or his or her successor at any time for a remission of the payment of any unpaid portion of those costs. If the court determines that payment of the amount due will impose a manifest hardship on the probationer or his or her immediate family, the court may remit all or part of the amount due in costs or modify the method of payment.

(7) If a probationer is required to pay costs as part of a sentence of probation, the court may require payment to be made immediately or the court may provide for payment to be made within a specified period of time or in specified installments.

(8) If a probationer is ordered to pay costs as part of a sentence of probation, compliance with that order shall be a condition of probation. The court may revoke probation if the probationer fails to comply with the order and if the probationer has not made a good faith effort to comply with the order. In determining whether to revoke probation, the court shall consider the probationer's employment status, earning ability, and financial resources, the willfulness of the probationer's failure to pay, and any other special circumstances that may have a bearing on the probationer's ability to pay. The proceedings provided for in this subsection are in addition to those provided in section 4 of this chapter.

(9) If sentencing is deferred in the circuit court, the court shall require the individual to pay a supervision fee in the same manner as is prescribed for a delayed sentence under

section 1(3) of this chapter, shall require the individual to pay the minimum state costs prescribed by section 1j of chapter IX, and may impose, as applicable, the conditions of probation described in subsections (1), (2), and (3).

(10) If sentencing is delayed or deferred in the district court or in a municipal court, the court shall require the individual to pay the minimum state costs prescribed by section 1j of chapter IX and may impose, as applicable, the conditions of probation described in subsections (1), (2), and (3).

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 331]

(HB 5820)

AN ACT to amend 1949 PA 300, entitled “An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date,” by amending section 626 (MCL 257.626).

The People of the State of Michigan enact:

257.626 Reckless driving on highway, frozen public lake, or parking place; violation as misdemeanor; penalty.

Sec. 626. (1) A person who drives a vehicle upon a highway or a frozen public lake, stream, or pond or other place open to the general public, including, but not limited to, an area designated for the parking of motor vehicles, in willful or wanton disregard for the safety of persons or property is guilty of reckless driving.

(2) A person who violates subsection (1) is guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$500.00, or both.

Effective date.

Enacting section 1. This amendatory act takes effect November 1, 2004.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 332]**(HB 5846)**

AN ACT to amend 1927 PA 175, entitled “An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act,” by amending section 28 of chapter V (MCL 765.28), as amended by 2002 PA 659.

The People of the State of Michigan enact:

CHAPTER V

765.28 Default in recognizance; record; notice; summary judgment; execution; set aside of forfeiture order; discharge of bail or surety bond; conditions.

Sec. 28. (1) If default is made in any recognizance in a court of record, the default shall be entered on the record by the clerk of the court. After the default is entered, the court shall give each surety immediate notice not to exceed 7 days after the date of the failure to appear. The notice shall be served upon each surety in person or left at the surety's last known business address. Each surety shall be given an opportunity to appear before the court on a day certain and show cause why judgment should not be entered against the surety for the full amount of the bail or surety bond. If good cause is not shown for the defendant's failure to appear, the court shall enter judgment against the surety on the recognizance for an amount determined appropriate by the court but not more than the full amount of the bail, or if a surety bond has been posted the full amount of the surety bond. If the amount of a forfeited surety bond is less than the full amount of the bail, the defendant shall continue to be liable to the court for the difference, unless otherwise ordered by the court. Execution shall be awarded and executed upon the judgment in the manner provided for in personal actions.

(2) Except as provided in subsection (3), the court shall set aside the forfeiture and discharge the bail or surety bond within 1 year from the date of forfeiture judgment if the

defendant has been apprehended, the ends of justice have not been thwarted, and the county has been repaid its costs for apprehending the person. If the bond or bail is discharged, the court shall enter an order to that effect with a statement of the amount to be returned to the surety.

(3) Subsection (2) does not apply if the defendant was apprehended more than 56 days after the bail or bond was ordered forfeited and judgment entered and the surety did not fully pay the forfeiture judgment within that 56-day period.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 333]

(SB 722)

AN ACT to amend 1994 PA 451, entitled “An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts,” by amending section 14501 (MCL 324.14501), as amended by 1998 PA 289, and by adding section 14514.

The People of the State of Michigan enact:

324.14501 Definitions.

Sec. 14501. As used in this part:

- (a) “Department” means the department of environmental quality.
- (b) “Director” means the director of the department of environmental quality.
- (c) “Environmental wastes” means all environmental pollutants, wastes, discharges, and emissions, regardless of how they are regulated and regardless of whether they are released to the general environment or the workplace environment.
- (d) “Pollution prevention” means all of the following:
 - (i) “Source reduction” as defined in the pollution prevention act of 1990, subtitle G of title VI of the omnibus budget reconciliation act of 1990, Public Law 101-508, 42 U.S.C. 13101 to 13109.
 - (ii) “Pollution prevention” as described in the United States environmental protection agency’s pollution prevention statement dated June 15, 1993.
 - (iii) Environmentally sound on-site or off-site reuse or recycling.
- (e) “RETAP” means the retired engineers technical assistance program created in section 14511.
- (f) “Retap fund” means the retired engineers technical assistance program fund created in section 14512.

(g) “Small business” means a business that is not dominant in its field as defined in 13 C.F.R. part 121, and meets both of the following requirements:

(i) Is independently owned or operated, by a person that employs 500 or fewer individuals.

(ii) Is a small business concern as defined in the small business act, Public Law 85-536, 72 Stat. 384.

324.14514 Rules.

Sec. 14514. The department may promulgate rules to implement and administer this part.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 723 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

Compiler's note: Senate Bill No. 723, referred to in enacting section 1, was filed with the Secretary of State September 23, 2004, and became P.A. 2004, No. 334, Imd. Eff. Sept. 23, 2004.

[No. 334]

(SB 723)

AN ACT to amend 1994 PA 451, entitled “An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts,” by amending section 14513 (MCL 324.14513), as added by 1998 PA 289.

The People of the State of Michigan enact:

324.14513 Small business pollution prevention assistance revolving loan fund; creation; disposition; lapse; expenditure; loan limitations; “fund” defined.

Sec. 14513. (1) The small business pollution prevention assistance revolving loan fund is created within the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(4) The department shall expend money from the fund, upon appropriation, to provide loans to small businesses to implement pollution prevention projects. For each loan issued under this section, the money shall be disbursed by the department to a lending institution that has entered into a loan participation agreement with the department.

(5) The maximum loan from the fund shall be \$150,000.00, and a small business shall not receive more than 1 loan in any 3-year period. Interest rates paid by the small business shall be set by the director, but shall not exceed 5%.

(6) As used in this section, “fund” means the small business pollution prevention assistance revolving loan fund created in subsection (1).

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 722 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

Compiler's note: Senate Bill No. 722, referred to in enacting section 1, was filed with the Secretary of State September 23, 2004, and became P.A. 2004, No. 333, Imd. Eff. Sept. 23, 2004.

[No. 335]

(HB 5798)

AN ACT to amend 1967 PA 281, entitled “An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts,” by amending section 527a (MCL 206.527a), as amended by 2001 PA 169.

The People of the State of Michigan enact:

206.527a Credit for heating fuel costs for homestead; home weatherization assistance; study; rules; federal appropriation; methods of improving processing of claims; definitions.

Sec. 527a. (1) For tax years 1985 through 1994, a claimant may claim a credit against the state income tax for heating fuel costs for the claimant's homestead in this state. For the 1996 tax year and each tax year after the 1996 tax year and subject to subsections (18) and (19), a claimant may claim a credit for heating fuel costs for the claimant's homestead in this state. An adult foster care home, nursing home, home for the aged, or substance abuse center is not a homestead for purposes of this section. The credit shall be determined in the following manner:

(a) For the 1988 tax year through the 1994 tax year and, subject to subsections (18) and (19), for the 1996 tax year and each tax year after the 1996 tax year, the following table shall be used for the computation of a credit as computed under subdivision (c):

Exemptions	0 or 1	2	3	4	5	6 or more
Credit	\$272	\$326	\$379	\$450	\$525	\$601 + \$76 for each exemption over 6

(b) For tax years after the 1988 tax year, the amounts in the table in subdivision (a) shall be adjusted each year as necessary by the department so that a claimant with a household income less than 110% of the federal poverty income standards as defined and determined annually by the United States office of management and budget is not denied a credit.

(c) A claimant shall receive the greater of the credit amount as determined in subparagraph (i) or (ii):

(i) Subtract 3.5% of the claimant's household income from the amount specified in subdivision (a) that corresponds with the number of exemptions claimed in the return filed under this act, except that the number of exemptions for purposes of this subdivision shall not exceed the actual number of persons living in the household plus the additional personal exemptions allowed under section 30, and any dependency exemptions for a person or persons living in the household under a custodial arrangement, even if the exemptions may not be claimed for other income tax purposes. For a claimant whose heating costs are included in his or her rent, multiply the result of the preceding calculation by 50%.

(ii) Subject to subsection (2), for a claimant whose household income does not exceed the maximum specified in the following table, as adjusted, that corresponds with the number of exemptions claimed in the return filed under this act, subtract 11% of claimant's household income from the total cost incurred by a claimant for heating fuel from a heating fuel provider during the 12 consecutive monthly billing periods ending in October of the tax year, and multiply the resulting amount by 70%:

Exemptions	0 or 1	2	3	4	5	For each exemption over 5, add \$2,441.00 to the maximum income
Maximum Income	\$7,060	\$9,501	\$11,943	\$14,382	\$16,824	

(d) For the 1988 tax year for the purposes of subdivision (c), the total cost incurred by a claimant for heating fuel from a heating fuel provider shall not exceed \$1,190.00. For tax years after the 1988 tax year, the maximum cost incurred by a claimant for heating fuel during a tax year shall be adjusted by multiplying the maximum cost for the immediately preceding tax year by the percentage by which the average all urban Detroit consumer price index for fuels and other utilities for the 12 months ending August 31 of the tax year for which the credit is claimed exceeds that index's average for the 12 months ending on August 31 of the previous tax year, but not more than 10%. That product shall be added to the maximum cost of the immediately preceding tax year and then rounded to the nearest whole dollar. That dollar amount is the new maximum cost for the current tax year. If the claimant received any credits to his or her heating bill during the tax year, as provided for in subsection (6), the credits shall be treated as costs incurred by the claimant.

(e) For tax years after the 1988 tax year, the maximum income amounts specified in subdivision (c)(ii) shall be adjusted by multiplying the respective maximum income amounts for the immediately preceding tax year by the percentage by which the average all urban Detroit consumer price index for all items for the 12 months ending August 31 of the tax year for which the credit is claimed exceeds that index's average for the 12 months ending on August 31 of the immediately preceding tax year, but not more than 10%. That product shall be added to the immediately preceding tax year's respective maximum income level

and then rounded to the nearest whole dollar. That dollar amount is the new maximum income level for the then current tax year.

(2) An enrolled heating fuel provider shall notify each of its customers, not later than December 15 of each year or, for 1995 only, not later than January 10, 1996 or for 1996 only, not later than January 15, 1996, of the availability, upon request, of the information necessary for determining the credit under this section. For a claimant for whom, at the time of filing, the family independence agency is making direct vendor payments to an enrolled heating fuel provider, the enrolled heating fuel provider that accepts the direct payments shall provide the information necessary to determine the credit before February 1 of each year. If an enrolled heating fuel provider refuses or fails to provide to a customer the information required to determine the credit, or if the claimant is not a customer of an enrolled heating fuel provider, a claimant may determine the credit provided in subsection (1)(c)(i) based on his or her own records.

(3) A credit claimed on a return that covers a period of less than 12 months shall be calculated based on subsection (1)(c)(i) and shall be reduced proportionately.

(4) The allowable amount of the credit under this section shall be remitted to the claimant, other than a claimant whose heating costs are included in his or her rent, in the form of an energy draft that states the name of the claimant and is issued by the department. For a claimant for whom, at the time of filing, the family independence agency has identified the enrolled heating fuel provider or is making direct vendor payments to an enrolled heating fuel provider, the department shall send the energy draft directly to the claimant's enrolled heating fuel provider, as identified by the claimant. If the department establishes a program or pilot program for the direct payment of energy drafts to enrolled heating fuel providers, enrolled heating fuel providers may submit to the department, in a manner prescribed by the department, the names of their customers who are claimants. If a claimant whose name has been submitted meets the standards established by the department, the department shall send that claimant's energy draft directly to the claimant's enrolled heating fuel provider. If the enrolled heating fuel provider submits names of claimants who are not its customers and the energy drafts of any of those claimants are sent to the enrolled heating fuel provider, the enrolled heating fuel provider shall return the energy drafts or pay the value of the energy drafts to the department plus interest on the amount of the energy drafts at the rate calculated under section 23 for deficiencies in tax payments. Except as provided in subsection (5), after July 31, a refundable credit for a prior tax year may be paid in the form of a negotiable warrant. The energy draft shall be negotiable only through the claimant's enrolled heating fuel provider upon remittance by the claimant.

(5) If a claimant received home heating assistance from the family independence agency, a governmental agency, or a nonprofit organization 12 months prior to remitting an energy draft to the claimant's enrolled heating fuel provider and the amount of the energy draft is greater than the total of outstanding bills incurred by the claimant with the enrolled heating fuel provider as of the date that the energy draft was remitted to the enrolled heating fuel provider, the enrolled heating fuel provider shall first apply the full amount of the energy draft to the claimant's outstanding bills and then apply any remaining amount to subsequent bills of the claimant until the full amount of the energy draft is used up or the expiration of 9 months after the date on which the energy draft was first applied to cover the claimant's outstanding bills. If there is any remaining energy draft amount at the end of the 9-month period, or if before the end of the 9-month period the claimant is no longer a customer of the enrolled heating fuel provider, the enrolled heating fuel provider shall remit the remaining amount to the claimant in the form of a fully negotiable check within 14 days after the end of the 9-month period or 14 days after the termination

of services, whichever occurs sooner. If the claimant did not receive home heating assistance from the family independence agency, a governmental agency, or a nonprofit organization 12 months prior to remitting an energy draft, the claimant, by checking the appropriate box to be included on the energy draft or application for participation with an enrolled heating fuel provider, may request from the enrolled heating fuel provider a payment equal to the amount of the energy draft less the amount of the outstanding bills. The enrolled heating fuel provider shall issue the payment within 14 days after the claimant's request. For purposes of this subsection, home heating assistance does not include the credit allowed under this section.

(6) If a claimant whose energy draft exceeds his or her outstanding bills does not request a payment from an enrolled heating fuel provider under subsection (5), an energy draft remitted to an enrolled heating fuel provider shall be applied upon receipt to the claimant's designated account. The energy draft may be used to cover outstanding bills that the claimant has incurred with the enrolled heating fuel provider and to cover subsequent heating costs until the full amount of the energy draft is used or until 1 year after the date on which the energy draft is first applied to the claimant's designated account. If a credit amount remains from this energy draft after the 1-year period, or if prior to the end of the 1-year period a claimant is no longer a customer of the enrolled heating fuel provider, the heating fuel provider shall remit the remaining unused portion to the claimant in the form of a fully negotiable check within 14 days after the end of the 1-year period or within 14 days after termination of service, whichever is sooner.

(7) A claimant who is no longer a resident of this state, who is not a customer of an enrolled heating fuel provider, or whose heating fuel provider refuses to accept an energy draft shall return the energy draft to the department and request the issuance of a negotiable warrant. A claimant may return an energy draft to the department and request issuance of a negotiable warrant if the energy draft is impractical because the claimant has already purchased his or her energy supply for the year and does not have an outstanding obligation to an enrolled heating fuel provider. The department may honor that request if it agrees that the use of the energy draft is impractical. The department shall issue the warrant within 14 days after receiving the energy draft from the claimant.

(8) The enrolled heating fuel provider shall bill the department for credit amounts that have been applied to claimant accounts pursuant to subsection (6), and the department shall pay the bills within 14 days of receipt. The billing shall be accompanied by the energy drafts for which reimbursement is claimed.

(9) A claimant whose heating fuel is provided by a utility regulated by the Michigan public service commission is protected against the discontinuance of his or her heating fuel service from the date of filing a claim for the credit under this section through the date of issuance of an energy draft and during a period beginning December 1 of the tax year for which the credit is claimed and ending March 31 of the following year if the claimant participates in the winter protection program set forth in R 460.2174 of the Michigan administrative code or if the utility accepts the claimant's energy draft. The acceptance of an energy draft by a utility is considered a request by the claimant for the winter protection program. The energy draft shall be coded by the department to denote claimants who are 65 years of age or older. If the claimant is a claimant whose heating cost is included in his or her rent payments, the amount of the claim not used as an offset against the state income tax, after examination and review, shall be approved for payment, without interest, to the claimant.

(10) If an enrolled heating fuel provider does not issue a payment or a negotiable check within 14 days or as otherwise provided in subsection (5) or (6), beginning on the fifteenth day or the fifteenth day after the expiration of the 9-month period under subsection (5),

the amount due to the claimant is increased by adding interest computed on the basis of the rate of interest prescribed for delayed refunds of excess tax payments in section 30(3) of 1941 PA 122, MCL 205.30. The enrolled heating fuel provider shall pay the interest and shall not bill the interest to or be reimbursed for the interest by the department.

(11) Only the renter or lessee shall claim a credit on property that is rented or leased as a homestead. Only 1 credit may be claimed for a household. The credit under this section is in addition to other credits to which the claimant is entitled under this act. A person who is a full-time student at a school, community college, or college or university and who is claimed as a dependent by another person is not eligible for the credit provided by this section. A claimant who shares a homestead with other eligible claimants shall prorate the credit by the number of claimants sharing the homestead.

(12) A claimant who is eligible for the credit provided by this section shall be referred by the department to the appropriate state agency for determination of eligibility for home weatherization assistance and shall accept weatherization assistance if eligible and if assistance is available. A heating fuel provider that is required by the Michigan public service commission to participate in the residential conservation services home energy analysis program shall annually contact each claimant to whom it provides heating fuel, and whose usage exceeds 200,000 cubic feet of natural gas or 18,000 kilowatt hours of electricity annually, and shall offer to provide a home energy analysis at no cost to the claimant. A heating fuel provider that is not required to participate in the residential conservation services program shall not be required to conduct a home energy analysis for its customers.

(13) If an enrolled heating fuel provider is regulated by the Michigan public service commission, the Michigan public service commission may use an enforcement method authorized by law or rule to enforce the requirements prescribed by this section on the enrolled heating fuel provider. If an enrolled heating fuel provider is not regulated by the Michigan public service commission, the family independence agency may use an enforcement method authorized by law or rule to enforce the requirements prescribed by this section on the enrolled heating fuel provider.

(14) The department shall mail a home heating credit return to every person who received assistance through family independence programs pursuant to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, during the tax year.

(15) The department shall complete a study by August 1 of 1985, and of each subsequent year, of the actual heating costs of each claimant who received a credit from the department under this section for the immediately preceding tax year.

(16) The department may promulgate rules necessary to administer this section pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(17) The department shall provide a simplified procedure for claiming the credit under this section for claimants for whom, at the time of filing, the family independence agency is making direct vendor payments to an enrolled heating fuel provider.

(18) For the 2001 tax year and each tax year after the 2001 tax year, the credit under this section is allowed only if there has been a federal appropriation for the federal fiscal year beginning in the tax year of federal low income home energy assistance program block grant funds of any amount. If the amount of federal low income home energy assistance program block grant funds available for the home heating credit is less than the full home heating credit amount, each individual credit claimed under this section shall be reduced by multiplying the credit amount by a fraction, the numerator of which is the amount available for the home heating credit and the denominator of which is the full home heating credit amount. As used in this subsection, "amount available for the home

heating credit” means the sum of the federal low income home energy assistance program block grant allotment for this state for the federal fiscal year beginning in the tax year and the amount as certified by the director of the family independence agency carried forward from the immediately preceding fiscal year for the low income home energy assistance program block grant minus the sum of the amount certified by the director of the family independence agency for administration of the low income home energy assistance program block grant, the amount certified by the director of the family independence agency for crisis assistance programs, and the amount certified by the director of the family independence agency for weatherization. Except as otherwise provided in this subsection, the amount used for weatherization each fiscal year shall not exceed \$9,000,000.00 less the amount used for weatherization from the emergency contingency funds received in the immediately preceding year. For the 2004-2005 state fiscal year only, the amount used for weatherization shall not exceed \$9,000,000.00 and shall not be reduced by the amount used for weatherization from the emergency contingency funds received in the immediately preceding year. The amounts under this subsection that require certification by the director of the family independence agency or by the state treasurer and the director of the department of management and budget shall be certified on or before December 30 of the tax year for the 1996 tax year, and on or before November 1 of the tax year for the 1997 tax year and each tax year after the 1997 tax year. As used in this subsection, “full home heating credit amount” means the amount certified by the state treasurer and the director of the department of management and budget to be the estimated amount of the credits that would have been provided under this section for the tax year if no reduction as provided in this subsection were made for that tax year.

(19) For tax years after the 1994 tax year, a claimant who claims a credit under this section shall not report the credit amount on the claimant’s income tax return filed under this act as an offset against the tax imposed by this act, but shall claim the credit on a separate form prescribed by the department. For tax years after the 1995 tax year, a credit claimed under this section shall not be allowed unless the claim for the credit is filed with the department on or before the September 30 immediately following the tax year for which the credit is claimed.

(20) The state treasurer shall notify all of the following each state fiscal year that the federal low income home energy assistance program block grant allotment for this state for that fiscal year is less than the full home heating credit amount:

(a) The chairpersons and vice-chairpersons of the senate and house of representatives appropriations committees.

(b) The senate and house of representatives committees on taxation and finance related issues.

(c) The senate and house of representatives committees on energy and technology related issues.

(21) Notwithstanding section 30a of 1941 PA 122, MCL 205.30a, the credit allowed under this section is exempt from interception, execution, levy, attachment, garnishment, or other legal process to collect a debt. No portion of the credit allowed or any rights existing under this section shall be applied as an offset to any liability of the claimant under section 30a of 1941 PA 122, MCL 205.30a, or any arrearage or other debt of the claimant.

(22) The department shall meet with interested parties including enrolled heating fuel providers and advocacy groups to identify and implement methods of improving the

processing of claims for the credit allowed under this section and payments attributable to those credits.

(23) As used in this section:

(a) “Claimant whose heating costs are included in his or her rent” means a claimant whose rent includes the cost of heat at the time the claim for the credit under this section is filed.

(b) “Enrolled heating fuel provider” means a heating fuel provider that is enrolled with the family independence agency as a heating fuel provider.

(c) “Heating fuel provider” means an individual or entity that provides a claimant with heating fuel or electricity for heating purposes.

Effect of amendatory act.

Enacting section 1. This amendatory act is effective for tax years that begin after December 31, 2003.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 336]

(HB 5801)

AN ACT to amend 1952 PA 214, entitled “An act authorizing the Mackinac bridge authority to acquire a bridge connecting the upper and lower peninsulas of Michigan, including causeways, tunnels, roads and all useful related equipment and facilities, including park, parking, recreation, lighting and terminal facilities; extending the corporate existence of the authority; authorizing such authority to enjoy and carry out all powers incident to its corporate objects; authorizing the appropriation and use of state funds for the preliminary purposes of the authority; providing for the payment of the cost of such bridge and in that connection authorizing the authority to issue revenue bonds payable solely from the revenues of the bridge; granting the right of condemnation to the authority; granting the use of state land and property to the authority; making provisions for the payment and security of such bonds and granting certain rights and remedies to the holders thereof; authorizing banks and trust companies to perform certain acts in connection therewith; authorizing the imposition of tolls and charges; authorizing the authority to secure the consent of the United States government to the construction of the bridge and to secure approval of plans, specifications and location of same; authorizing employment of engineers irrespective of whether such engineers have been previously employed to make preliminary inspections or reports with respect to the bridge; authorizing the state highway department to operate and maintain such bridge or to contribute thereto and enter into leases and agreements in connection therewith; exempting such bonds and the property of the authority from taxation; prohibiting competing traffic facilities; authorizing the operation of ferries by the authority; providing for the construction and use of certain buildings; and making an appropriation,” by amending section 12 (MCL 254.322), as amended by 2003 PA 176.

The People of the State of Michigan enact:

254.322 Use of bridge; payment of tolls; authorized emergency vehicles; violation as misdemeanor; penalty.

Sec. 12. Except as provided in this section, all individuals or vehicles using the bridge shall pay tolls and charges established by the authority. The authority shall not charge tolls or charges to its own personnel or vehicles while the personnel are on duty or while the vehicles are being used for authority business. Beginning October 1, 2003, the authority shall not charge tolls or charges to authorized emergency vehicles that are in the process of responding to an emergency. As used in this section, "authorized emergency vehicles" means that term as defined in section 2 of the Michigan vehicle code, 1949 PA 300, MCL 257.2. Beginning November 1, 2004, a violation of this section by failure to pay toll is a misdemeanor punishable by imprisonment for not more than 30 days or a fine of not more than \$500.00, or both.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 337]

(SB 885)

AN ACT to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools and the intermediate school districts of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to supplement the school aid fund by the levy and collection of certain taxes; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending section 32j (MCL 388.1632j), as added by 2003 PA 158.

The People of the State of Michigan enact:

388.1632j Programs for parents with preschool children.

Sec. 32j. (1) From the appropriation in section 11, there is allocated an amount not to exceed \$3,326,000.00 for 2003-2004 for grants to intermediate districts to provide programs for parents with preschool children. The purpose of these programs is to improve school readiness and foster the maintenance of stable families by encouraging positive parenting skills.

(2) To qualify for funding under this section, a program shall provide services to all families with children age 5 or younger residing within the intermediate district who choose to participate, including at least all of the following services:

(a) Providing parents with information on child development from birth to age 5.

(b) Providing parents with methods to enhance parent-child interaction; including, but not limited to, encouraging parents to read to their preschool children at least 1/2 hour per day.

(c) Providing parents with examples of learning opportunities to promote intellectual, physical, and social growth of preschoolers.

(d) Promoting access to needed community services through a community-school-home partnership.

(3) To compete for a grant under this section, an intermediate district shall apply to the department not later than October 1, 2003 in the form and manner prescribed by the department. To be considered for a grant under this section, a grant application shall do all of the following in a manner prescribed by the department:

(a) Provide a plan for the delivery of the program components described in subsection (2).

(b) Demonstrate an adequate collaboration of local entities involved in providing programs and services for preschool children and their parents.

(c) Provide a projected budget for the program to be funded. The intermediate district shall provide at least a 20% local match from local public or private resources for the funds received under this section. Not more than 1/2 of this matching requirement, up to a total of 10% of the total project budget, may be satisfied through in-kind services provided by participating providers of programs or services. In addition, not more than 10% of the grant may be used for program administration.

(4) Each successful grant recipient of a grant under this section shall agree to include a data collection system approved by the department. The data collection system shall provide a report by October 15 of each year on the number of children in families with income below 200% of the federal poverty level that received services under this program and the total number of children who received services under this program.

(5) The department or superintendent, as applicable, shall do all of the following:

(a) The department shall make applications available for the purposes of this section not later than August 15, 2003.

(b) The superintendent shall approve or disapprove applications and notify the applying intermediate district of that decision not later than November 15, 2003. The amount of each approved grant shall not exceed 3.5% of the intermediate district's 2002-2003 payment under section 81.

(c) The department shall ensure that all programs funded under this section utilize the most current validated research-based methods and curriculum for providing the program components described in subsection (2).

(d) The department shall submit a report to the state budget director and the senate and house fiscal agencies summarizing the data collection reports described in subsection (4) by December 1 of each year.

(6) An intermediate district receiving funds under this section shall use the funds only for the program funded under this section. An intermediate district receiving funds under this section may carry over any unexpended funds received under this section to subsequent fiscal years and may expend those unused funds in subsequent fiscal years.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 338]

(SB 1328)

AN ACT to amend 1931 PA 328, entitled "An act to revise, consolidate, codify and add to the statutes relating to crimes; to define crimes and prescribe the penalties therefor; to

provide for restitution under certain circumstances; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act,” by amending section 224a (MCL 750.224a), as amended by 2002 PA 709.

The People of the State of Michigan enact:

750.224a Portable device or weapon directing electrical current, impulse, wave, or beam; sale or possession prohibited; exceptions; violation; penalty; definitions.

Sec. 224a. (1) Except as otherwise provided in this section, a person shall not sell, offer for sale, or possess in this state a portable device or weapon from which an electrical current, impulse, wave, or beam may be directed, which current, impulse, wave, or beam is designed to incapacitate temporarily, injure, or kill.

(2) This section does not prohibit any of the following:

(a) The possession and reasonable use of a device that uses electro-muscular disruption technology by a peace officer, an employee of the department of corrections authorized in writing by the director of the department of corrections, a local corrections officer authorized in writing by the county sheriff, a probation officer, a court officer, a bail agent authorized under section 167b, a licensed private investigator, or an aircraft pilot or aircraft crew member, who has been trained in the use, effects, and risks of the device, while performing his or her official duties.

(b) Possession solely for the purpose of delivering a device described in subsection (1) to any governmental agency or to a laboratory for testing, with the prior written approval of the governmental agency or law enforcement agency and under conditions determined to be appropriate by that agency.

(3) A manufacturer, authorized importer, or authorized dealer may demonstrate, offer for sale, hold for sale, sell, give, lend, or deliver a device that uses electro-muscular disruption technology to a person authorized to possess a device that uses electro-muscular disruption technology and may possess a device that uses electro-muscular disruption technology for any of those purposes.

(4) A person who violates this section is guilty of a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$2,000.00, or both.

(5) As used in this section:

(a) “A device that uses electro-muscular disruption technology” means a device to which all of the following apply:

(i) The device is capable of creating an electro-muscular disruption and is used or intended to be used as a defensive device capable of temporarily incapacitating or immobilizing a person by the direction or emission of conducted energy.

(ii) The device contains an identification and tracking system that, when the device is initially used, dispenses coded material traceable to the purchaser through records kept by the manufacturer.

(iii) The manufacturer of the device has a policy of providing the identification and tracking information described in subparagraph (ii) to a police agency upon written request by that agency.

(b) “Local corrections officer” means that term as defined in section 2 of the local corrections officers training act, 2003 PA 125, MCL 791.532.

(c) “Peace officer” means any of the following:

(i) A police officer or public safety officer of this state or a political subdivision of this state, including motor carrier officers appointed under section 6d of 1935 PA 59, MCL 28.6d, and security personnel employed by the state under section 6c of 1935 PA 59, MCL 28.6c.

(ii) A sheriff or a sheriff’s deputy.

(iii) A police officer or public safety officer of a junior college, college, or university who is authorized by the governing board of that junior college, college, or university to enforce state law and the rules and ordinances of that junior college, college, or university.

(iv) A township constable.

(v) A marshal of a city, village, or township.

(vi) A conservation officer of the department of natural resources or the department of environmental quality.

(vii) A law enforcement officer of another state or of a political subdivision of another state or a junior college, college, or university in another state, substantially corresponding to a law enforcement officer described in subparagraphs (i) to (vi).

(viii) A federal law enforcement officer.

This act is ordered to take immediate effect.

Approved September 22, 2004.

Filed with Secretary of State September 23, 2004.

[No. 339]

(HB 5520)

AN ACT to make appropriations for the judicial branch for the fiscal year ending September 30, 2005; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; judiciary.

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the judicial branch for the fiscal year ending September 30, 2005, from the funds indicated in this part. The following is a summary of the appropriations in this part:

JUDICIARY

APPROPRIATION SUMMARY:

Full-time equated exempted positions.....	582.5	
GROSS APPROPRIATION		\$ 253,216,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		4,633,500
ADJUSTED GROSS APPROPRIATION.....		\$ 248,583,200

For Fiscal Year
Ending Sept. 30,
2005

Federal revenues:	
Total federal revenues.....	\$ 4,015,600
Special revenue funds:	
Total local revenues	3,298,100
Total private revenues.....	842,500
Total other state restricted revenues.....	82,333,700
State general fund/general purpose	\$ 158,093,300

Supreme court.

Sec. 102. SUPREME COURT

Full-time equated exempted positions.....	285.0	
Supreme court administration—117.0 FTE positions.....		\$ 10,704,000
Judicial institute—19.0 FTE positions.....		2,661,300
State court administrative office—79.0 FTE positions		10,149,100
Judicial information systems—21.0 FTE positions		4,608,500
Direct trial court automation support—33.0 FTE positions.....		3,298,100
Foster care review board—12.0 FTE positions.....		1,207,500
Community dispute resolution—4.0 FTE positions		2,248,400
Other federal grants.....		275,000
Drug treatment courts.....		4,635,000
GROSS APPROPRIATION		\$ 39,786,900

Appropriated from:

Interdepartmental grant revenues:	
IDG from department of community health.....	1,800,000
IDG from department of career development.....	95,000
IDG from state police - criminal justice improvement	2,015,000
IDG from state police - Michigan justice training fund.....	300,000
Federal revenues:	
DOJ, victims assistance programs.....	50,000
DOJ, drug court training and evaluation	300,000
DOT, national highway traffic safety administration	215,300
HHS, access and visitation grant	387,000
HHS, children's justice grant	200,000
HHS, court improvement project.....	1,160,000
HHS, title IV-D child support program.....	907,700
HHS, title IV-E foster care program	520,600
Other federal grant revenues.....	275,000
Special revenue funds:	
Local - user fees.....	3,298,100
Private	169,000
Private - interest on lawyers trust accounts	232,700
Private - state justice institute	370,800
Community dispute resolution fund	2,248,400
Law exam fees	482,100
Drug court fund	1,688,300
Miscellaneous revenue	227,900
Justice system fund.....	600,000
State court fund.....	319,000
State general fund/general purpose	\$ 21,925,000