

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5517**

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2005; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

1 Sec. 101. Subject to the conditions set forth in this act, the
2 amounts listed in this part are appropriated for the departments of
3 attorney general, civil rights, civil service, information technology,
4 management and budget, state, and treasury, the executive office, the
5 legislative branch, and certain other state purposes, for the fiscal
6 year ending September 30, 2005, from the funds indicated in this
7 part. The following is a summary of the appropriations in this part:

10 **TOTAL GENERAL GOVERNMENT**

11 APPROPRIATION SUMMARY:

12	Full-time equated unclassified positions.....	48.0	
13	Full-time equated classified positions.....	6,950.4	
14	GROSS APPROPRIATION.....		\$ 2,554,400,700
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and intradepartmental		
17	transfers.....		537,397,900
18	ADJUSTED GROSS APPROPRIATION.....		\$ 2,017,002,800
19	Federal revenues:		
20	Total federal revenues.....		50,414,400
21	Special revenue funds:		
22	Total local revenues.....		2,664,100
23	Total private revenues.....		550,100
24	Total other state restricted revenues.....		1,618,681,200
25	State general fund/general purpose.....		\$ 344,693,000

26 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

27 **(1) APPROPRIATION SUMMARY**

1	Full-time equated unclassified positions.....6.0	
2	Full-time equated classified positions.....558.0	
3	GROSS APPROPRIATION.....	\$ 63,019,400
4	Interdepartmental grant revenues:	
5	Total interdepartmental grants and intradepartmental	
6	transfers.....	\$ 12,545,500
7	ADJUSTED GROSS APPROPRIATION.....	\$ 50,473,900
8	Federal revenues:	
9	Total federal revenues.....	8,301,300
10	Special revenue funds:	
11	Total local revenues.....	0
12	Total private revenues.....	0
13	Total other state restricted revenues.....	10,485,000
14	State general fund/general purpose.....	\$ 31,687,600
15	(2) ATTORNEY GENERAL OPERATIONS	
16	Full-time equated unclassified positions.....6.0	
17	Full-time equated classified positions.....558.0	
18	Attorney general.....	\$ 124,900
19	Unclassified positions--5.0 FTE positions.....	476,300
20	Attorney general operations--518.0 FTE positions....	57,586,600
21	Child support enforcement--25.0 FTE positions.....	2,234,300
22	Prosecuting attorneys coordinating council--15.0 FTE	
23	positions.....	1,467,700
24	PACC, training project.....	<u>325,000</u>
25	GROSS APPROPRIATION.....	\$ 62,214,800
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from FIA.....	2,742,400
2	IDG from MDLEG, financial and insurance services....	996,300
3	IDG from MDCH, health services.....	1,622,100
4	IDG from MDLEG, public utility assessments.....	1,780,100
5	IDG from MDMB, risk management revolving fund.....	1,194,900
6	IDG from MDOT, comprehensive transportation fund....	138,900
7	IDG from MDOT, state aeronautics fund.....	133,800
8	IDG from MDOT, state trunkline fund.....	2,725,100
9	IDG from MDSP, Michigan justice training fund.....	325,000
10	IDG from Michigan gaming control board.....	886,900
11	Federal revenues:	
12	DAG, state administrative match grant/food stamps...	349,500
13	DED-OPSE, student loan, federal lender allowance....	289,400
14	DOL-ETA, unemployment insurance.....	1,415,800
15	DOL-OSHA, occupational safety and health.....	248,200
16	EPA, multiple grants.....	254,300
17	Federal funds.....	1,879,800
18	HHS, medical assistance, medigrant.....	568,100
19	HHS-OS, state medicaid fraud control units.....	3,296,200
20	Special revenue funds:	
21	Antitrust enforcement collections.....	566,300
22	Attorney general's operations fund.....	758,800
23	Auto repair facilities fees.....	204,100
24	Collections revenue.....	618,500
25	Corporate fees and security fees.....	133,500
26	Environmental response fund.....	688,500
27	Franchise fees.....	255,800

1	Game and fish protection fund.....	670,700
2	Liquor purchase revolving fund.....	897,900
3	Manufactured housing fees.....	199,100
4	Michigan state housing development authority fees...	499,700
5	Oil and gas privilege fee revenue.....	151,700
6	Prisoner reimbursement.....	400,000
7	Prosecuting attorneys training fees.....	326,800
8	Real estate enforcement fund.....	200,000
9	Retirement funds.....	650,100
10	Second injury fund.....	930,800
11	Self-insurers security fund.....	158,100
12	Silicosis and dust disease fund.....	466,500
13	State building authority revenue.....	85,800
14	State hospital authority.....	323,300
15	State lottery fund.....	216,900
16	Tobacco settlement trust fund.....	368,200
17	Utility consumers fund.....	488,000
18	Waterways fund.....	87,500
19	Worker's compensation administrative revolving fund.	138,400
20	State general fund/general purpose..... \$	30,883,000
21	(3) INFORMATION TECHNOLOGY	
22	Information technology services and projects..... \$	<u>804,600</u>
23	GROSS APPROPRIATION..... \$	804,600
24	Appropriated from:	
25	State general fund/general purpose..... \$	804,600
26	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
27	(1) APPROPRIATION SUMMARY	

1	Full-time equated unclassified positions.....	5.0	
2	Full-time equated classified positions.....	136.0	
3	GROSS APPROPRIATION.....		\$ 12,182,300
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers.....		\$ 0
7	ADJUSTED GROSS APPROPRIATION.....		\$ 12,182,300
8	Federal revenues:		
9	Total federal revenues.....		934,000
10	Special revenue funds:		
11	Total local revenues.....		0
12	Total private revenues.....		0
13	Total other state restricted revenues.....		0
14	State general fund/general purpose.....		\$ 11,248,300
15	(2) CIVIL RIGHTS OPERATIONS		
16	Full-time equated unclassified positions.....	5.0	
17	Full-time equated classified positions.....	136.0	
18	Unclassified positions--5.0 FTE positions.....		\$ 254,100
19	Human resources optimization user charges.....		29,400
20	Civil rights operations--136.0 FTE positions.....		<u>11,118,000</u>
21	GROSS APPROPRIATION.....		\$ 11,401,500
22	Appropriated from:		
23	Federal revenues:		
24	EEOC, state and local antidiscrimination agency		
25	contracts.....		600,000
26	HUD, grant.....		334,000
27	State general fund/general purpose.....		\$ 10,467,500

1 **(3) INFORMATION TECHNOLOGY**

2 Information technology services and projects..... \$ 780,800

3 GROSS APPROPRIATION..... \$ 780,800

4 Appropriated from:

5 State general fund/general purpose..... \$ 780,800

6 **Sec. 104. DEPARTMENT OF CIVIL SERVICE**

7 **(1) APPROPRIATION SUMMARY**

8 Full-time equated classified positions.....240.5

9 GROSS APPROPRIATION..... \$ 34,908,300

10 Interdepartmental grant revenues:

11 Total interdepartmental grants and intradepartmental

12 transfers..... \$ 5,295,900

13 ADJUSTED GROSS APPROPRIATION..... \$ 29,612,400

14 Federal revenues:

15 Total federal revenues..... 4,699,200

16 Special revenue funds:

17 Total local revenues..... 1,700,000

18 Total private revenues..... 150,000

19 Total other state restricted revenues..... 15,412,700

20 State general fund/general purpose..... \$ 7,650,500

21 **(2) CIVIL SERVICE OPERATIONS**

22 Full-time equated classified positions.....240.5

23 Human resources optimization--30.0 FTE positions.... \$ 1,999,900

24 Agency services--70.0 FTE positions..... 5,976,500

25 Human resources/administrative support--87.5 FTE

26 positions..... 14,317,900

27 Employee benefits--31.0 FTE positions..... 5,572,700

1	Audit and compliance--22.0 FTE positions.....	2,397,900
2	Training.....	<u>999,900</u>
3	GROSS APPROPRIATION..... \$	31,264,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG, training charges.....	1,000,000
7	IDG, 1% special funds.....	1,300,000
8	IDG, human resources optimization user charges.....	2,000,000
9	Federal revenues:	
10	Federal funds 1%.....	3,637,100
11	Special revenue funds:	
12	Local funds 1%.....	1,700,000
13	Private funds 1%.....	150,000
14	Freedom of information fees.....	1,100
15	State restricted funds 1%.....	6,366,700
16	State sponsored group insurance.....	2,650,000
17	State sponsored group insurance, flexible spending	
18	accounts and COBRA.....	5,572,700
19	State general fund/general purpose..... \$	6,887,200
20	(3) INFORMATION TECHNOLOGY	
21	Information technology services and projects..... \$	<u>3,643,500</u>
22	GROSS APPROPRIATION..... \$	3,643,500
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG, human resources optimization user charges.....	995,900
26	Federal revenues:	
27	Federal funds 1%.....	1,062,100

1	Special revenue funds:	
2	State restricted funds 1%.....	682,800
3	State sponsored group insurance, flexible spending	
4	accounts and COBRA.....	139,400
5	State general fund/general purpose..... \$	763,300
6	Sec. 105. EXECUTIVE OFFICE	
7	(1) APPROPRIATION SUMMARY	
8	Full-time equated unclassified positions.....10.0	
9	Full-time equated classified positions.....74.2	
10	GROSS APPROPRIATION..... \$	4,859,400
11	Interdepartmental grant revenues:	
12	Total interdepartmental grants and intradepartmental	
13	transfers..... \$	0
14	ADJUSTED GROSS APPROPRIATION..... \$	4,859,400
15	Federal revenues:	
16	Total federal revenues.....	0
17	Special revenue funds:	
18	Total local revenues.....	0
19	Total private revenues.....	0
20	Total other state restricted revenues.....	0
21	State general fund/general purpose..... \$	4,859,400
22	(2) EXECUTIVE OFFICE OPERATIONS	
23	Full-time equated unclassified positions.....10.0	
24	Full-time equated classified positions.....74.2	
25	Governor..... \$	177,000
26	Lieutenant governor.....	123,900
27	Executive office--74.2 FTE positions.....	3,708,700

1	Unclassified positions--8.0 FTE positions.....	<u>849,800</u>
2	GROSS APPROPRIATION..... \$	4,859,400
3	Appropriated from:	
4	State general fund/general purpose..... \$	4,859,400
5	Sec. 106. DEPARTMENT OF INFORMATION TECHNOLOGY	
6	(1) APPROPRIATION SUMMARY	
7	Full-time equated unclassified positions.....6.0	
8	Full-time equated classified positions.....1,756.4	
9	GROSS APPROPRIATION..... \$	340,599,300
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers..... \$	340,599,300
13	ADJUSTED GROSS APPROPRIATION..... \$	0
14	Federal revenues:	
15	Total federal revenues.....	0
16	Special revenue funds:	
17	Total local revenues.....	0
18	Total private revenues.....	0
19	Total other state restricted revenues.....	0
20	State general fund/general purpose..... \$	0
21	(2) ADMINISTRATION	
22	Full-time equated unclassified positions.....6.0	
23	Full-time equated classified positions.....1,756.4	
24	Unclassified positions--6.0 FTE positions..... \$	279,000
25	Enterprisewide services--75.0 FTE positions.....	24,897,400
26	Health and human services--775.6 FTE positions.....	186,792,300
27	Education services--38.9 FTE positions.....	3,073,700

1	Public protection--296.0 FTE positions.....	34,001,900
2	Resources services--171.1 FTE positions.....	15,298,900
3	Transportation services--107.0 FTE positions.....	24,931,800
4	General services--292.8 FTE positions.....	<u>51,324,300</u>
5	GROSS APPROPRIATION..... \$	340,599,300
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of agriculture.....	1,508,000
9	IDG from department of attorney general.....	804,600
10	IDG from department of civil rights.....	780,800
11	IDG from department of civil service.....	3,643,500
12	IDG from department of community health.....	28,879,800
13	IDG from department of corrections.....	14,060,300
14	IDG from department of education.....	2,362,800
15	IDG from department of environmental quality.....	6,290,400
16	IDG from family independence agency.....	121,639,800
17	IDG from Michigan gaming control board.....	1,023,600
18	IDG from department of history, arts, and libraries.	950,600
19	IDG from department of labor and economic growth....	39,347,500
20	IDG from bureau of state lottery.....	3,940,100
21	IDG from department of management and budget.....	24,148,800
22	IDG from department of military and veterans affairs	1,099,300
23	IDG from department of natural resources.....	8,029,500
24	IDG from department of state.....	21,496,200
25	IDG from department of state police.....	20,101,400
26	IDG from department of transportation.....	24,949,400
27	IDG from department of treasury.....	15,542,900

1	State general fund/general purpose.....	\$	0
2	Sec. 107. LEGISLATURE		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION.....	\$	121,629,300
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....	\$	1,801,500
8	ADJUSTED GROSS APPROPRIATION.....	\$	119,827,800
9	Federal revenues:		
10	Total federal revenues.....		0
11	Special revenue funds:		
12	Total local revenues.....		0
13	Total private revenues.....		400,000
14	Total other state restricted revenues.....		2,356,500
15	State general fund/general purpose.....	\$	117,071,300
16	(2) LEGISLATURE		
17	Senate.....	\$	27,117,400
18	Senate automated data processing.....		2,429,600
19	Senate fiscal agency.....		2,901,600
20	House of representatives.....		41,990,800
21	House automated data processing.....		1,862,100
22	House fiscal agency.....		2,732,800
23	Legislative auditor general.....		<u>17,301,500</u>
24	GROSS APPROPRIATION.....	\$	96,335,800
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from MDCS.....		107,900

1	IDG from MDLEG, liquor purchase revolving fund.....	11,300
2	IDG from MDOT, comprehensive transportation fund....	25,200
3	IDG from MDOT, Michigan transportation fund.....	204,300
4	IDG from MDOT, state aeronautics fund.....	19,600
5	IDG from MDOT, state trunkline fund.....	474,600
6	IDG, single audit act.....	958,600
7	Special revenue funds:	
8	Construction lien fund.....	7,200
9	Contract audit administration fees.....	52,700
10	Correctional industries revolving fund.....	31,300
11	Game and fish protection fund.....	21,400
12	Marine safety fund.....	1,900
13	Michigan economic development corporation.....	41,200
14	Michigan education trust fund.....	30,000
15	Michigan state fair revolving fund.....	33,000
16	Michigan state housing development authority fees...	22,100
17	Michigan strategic fund.....	37,500
18	Michigan veterans' trust fund.....	24,400
19	Motor transport revolving fund.....	4,700
20	Office services revolving fund.....	6,800
21	State services fee fund.....	926,900
22	Waterways fund.....	5,600
23	State general fund/general purpose..... \$	93,287,600
24	(3) LEGISLATIVE COUNCIL	
25	Legislative council..... \$	9,408,900
26	Legislative service bureau automated data processing	1,322,000
27	e-Law, legislative council technology enhancement	

1	project.....		400
2	Worker's compensation.....		133,800
3	National association dues.....		<u>98,400</u>
4	GROSS APPROPRIATION.....	\$	10,963,500
5	Appropriated from:		
6	Special revenue funds:		
7	Private - gifts and bequests revenues.....		400,000
8	State general fund/general purpose.....	\$	10,563,500
9	(4) LEGISLATIVE RETIREMENT SYSTEM		
10	General nonretirement expenses.....	\$	<u>4,056,900</u>
11	GROSS APPROPRIATION.....	\$	4,056,900
12	Appropriated from:		
13	Special revenue funds:		
14	Court fees.....		1,109,800
15	State general fund/general purpose.....	\$	2,947,100
16	(5) PROPERTY MANAGEMENT		
17	Capitol building.....	\$	2,159,900
18	Cora Anderson building.....		7,340,200
19	Farnum building and other properties.....		<u>773,000</u>
20	GROSS APPROPRIATION.....	\$	10,273,100
21	Appropriated from:		
22	State general fund/general purpose.....	\$	10,273,100
23	Sec. 108. DEPARTMENT OF MANAGEMENT AND BUDGET		
24	(1) APPROPRIATION SUMMARY		
25	Full-time equated unclassified positions.....	6.0	
26	Full-time equated classified positions.....	725.0	
27	GROSS APPROPRIATION.....	\$	212,718,900

1	Interdepartmental grant revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers.....	\$ 144,012,600
4	ADJUSTED GROSS APPROPRIATION.....	\$ 68,706,300
5	Federal revenues:	
6	Total federal revenues.....	443,600
7	Special revenue funds:	
8	Total local revenues.....	0
9	Total private revenues.....	0
10	Total other state restricted revenues.....	32,563,600
11	State general fund/general purpose.....	\$ 35,699,100
12	(2) MANAGEMENT AND BUDGET SERVICES	
13	Full-time equated unclassified positions.....	6.0
14	Full-time equated classified positions.....	583.5
15	Unclassified positions--6.0 FTE positions.....	\$ 570,800
16	Executive operations--21.0 FTE positions.....	1,991,500
17	Administrative services--64.5 FTE positions.....	5,960,500
18	Budget and financial management--113.5 FTE positions	9,926,500
19	Office of the state employer--24.0 FTE positions....	2,604,700
20	Design and construction services--40.0 FTE positions	4,751,500
21	Business support services--88.5 FTE positions.....	7,321,800
22	Building operation services--232.0 FTE positions....	75,921,000
23	Building occupancy charges, rent, and utilities.....	3,798,600
24	Human resources optimization user charges.....	29,400
25	Motor vehicle fleet.....	<u>57,500,000</u>
26	GROSS APPROPRIATION.....	\$ 170,376,300
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG from MDOT, state aeronautics fund.....	33,300
3	IDG from MDOT, comprehensive transportation fund....	58,400
4	IDG from MDOT, state trunkline fund.....	1,193,300
5	IDG from building occupancy and parking charges.....	78,664,100
6	IDG from department of labor and economic growth....	100,000
7	IDG from motor transport fund.....	57,500,000
8	IDG from MDCH.....	235,000
9	IDG from user fees.....	4,892,800
10	Federal revenues:	
11	Federal funds.....	430,500
12	Special revenue funds:	
13	Game and fish protection fund.....	218,200
14	Health management funds.....	1,577,400
15	Marine safety fund.....	22,200
16	Pension trust funds.....	1,413,700
17	Special revenue, internal service, and pension trust	
18	funds.....	5,394,200
19	State building authority revenue.....	530,500
20	State lottery fund.....	122,700
21	Waterways fund.....	50,700
22	State general fund/general purpose..... \$	17,939,300
23	(3) STATEWIDE APPROPRIATIONS	
24	Professional development fund - MPES..... \$	105,000
25	Professional development fund - AFSCME.....	<u>400,000</u>
26	GROSS APPROPRIATION..... \$	505,000
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG from employer contributions.....	505,000
3	State general fund/general purpose..... \$	0
4	(4) SPECIAL PROGRAMS	
5	Full-time equated classified positions.....141.5	
6	Building occupancy charges - property management	
7	services for executive/legislative building	
8	occupancy..... \$	1,712,200
9	Retirement services--127.5 FTE positions.....	14,697,400
10	Office of children's ombudsman--14.0 FTE positions..	<u>1,279,200</u>
11	GROSS APPROPRIATION..... \$	17,688,800
12	Appropriated from:	
13	Special revenue funds:	
14	Deferred compensation.....	1,445,700
15	Pension trust funds.....	13,251,700
16	State general fund/general purpose..... \$	2,991,400
17	(5) INFORMATION TECHNOLOGY	
18	Information technology services and projects..... \$	<u>24,148,800</u>
19	GROSS APPROPRIATION..... \$	24,148,800
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG from MDOT, state aeronautics fund.....	1,100
23	IDG from MDOT, comprehensive transportation fund....	2,100
24	IDG from MDOT, state trunkline fund.....	47,500
25	IDG from building occupancy and parking charges.....	593,200
26	IDG from user fees.....	186,800
27	Federal revenues:	

1	Federal funds.....	13,100
2	Special revenue funds:	
3	Deferred compensation.....	2,600
4	Game and fish protection fund.....	9,800
5	Health management funds.....	41,700
6	Marine safety fund.....	900
7	MAIN user charges.....	3,721,500
8	Pension trust funds.....	2,539,200
9	Special revenue, internal service, and pension trust	
10	funds.....	2,204,600
11	State building authority revenue.....	9,700
12	State lottery fund.....	4,600
13	Waterways fund.....	2,000
14	State general fund/general purpose..... \$	14,768,400
15	Sec. 109. DEPARTMENT OF STATE	
16	(1) APPROPRIATION SUMMARY	
17	Full-time equated unclassified positions.....6.0	
18	Full-time equated classified positions.....1,851.8	
19	GROSS APPROPRIATION..... \$	186,405,100
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers..... \$	20,000,000
23	ADJUSTED GROSS APPROPRIATION..... \$	166,405,100
24	Federal revenues:	
25	Total federal revenues.....	1,391,000
26	Special revenue funds:	
27	Total local revenues.....	0

1	Total private revenues.....	100
2	Total other state restricted revenues.....	150,272,800
3	State general fund/general purpose..... \$	14,741,200
4	(2) EXECUTIVE DIRECTION	
5	Full-time equated unclassified positions.....6.0	
6	Full-time equated classified positions.....29.2	
7	Secretary of state..... \$	124,900
8	Unclassified positions--5.0 FTE positions.....	459,200
9	Operations--29.2 FTE positions.....	<u>2,256,300</u>
10	GROSS APPROPRIATION..... \$	2,840,400
11	Appropriated from:	
12	Special revenue funds:	
13	Auto repair facilities fees.....	52,900
14	Driver fees.....	102,600
15	Expedient service fees.....	45,300
16	Look-up fees.....	605,700
17	Parking ticket court fines.....	7,200
18	Personal identification card fees.....	10,600
19	Reinstatement fees - operator licenses.....	114,800
20	Transportation administration collection fund.....	1,286,200
21	Vehicle theft prevention fees.....	31,100
22	State general fund/general purpose..... \$	584,000
23	(3) DEPARTMENT SERVICES	
24	Full-time equated classified positions.....174.3	
25	Operations--165.8 FTE positions..... \$	22,192,900
26	Assigned claims assessments--6.5 FTE positions.....	674,600
27	Motorcycle safety education administration--2.0 FTE	

1	positions.....	353,700
2	Motorcycle safety grants.....	<u>1,000,800</u>
3	GROSS APPROPRIATION..... \$	24,222,000
4	Appropriated from:	
5	Federal revenues:	
6	Federal funds.....	52,100
7	Special revenue funds:	
8	Assigned claims assessments.....	674,600
9	Auto repair facilities fees.....	388,600
10	Child support clearance fees.....	32,100
11	Driver fees.....	1,123,400
12	Expedient service fees.....	232,400
13	Look-up fees.....	7,193,200
14	Marine safety fund.....	69,800
15	Motorcycle safety fund.....	1,354,500
16	Off-road vehicle title fees.....	7,200
17	Parking ticket court fines.....	49,200
18	Personal identification card fees.....	77,700
19	Reinstatement fees - operator licenses.....	502,600
20	Scrap tire fund.....	64,200
21	Snowmobile registration fee revenue.....	16,500
22	Transportation administration collection fund.....	12,130,000
23	Vehicle theft prevention fees.....	227,800
24	State general fund/general purpose..... \$	26,100
25	(4) REGULATORY SERVICES	
26	Full-time equated classified positions.....251.1	
27	Operations--251.1 FTE positions..... \$	20,806,800

1	County clerk education and training fund.....	<u>100,000</u>
2	GROSS APPROPRIATION..... \$	20,906,800
3	Appropriated from:	
4	Federal revenues:	
5	Federal funds.....	92,300
6	Special revenue funds:	
7	Auto repair facilities fees.....	4,183,400
8	Commercial driver training school fees.....	63,500
9	Driver fees.....	930,500
10	Expedient service fees.....	29,900
11	Look-up fees.....	3,962,400
12	Notary fee fund.....	300,000
13	Notary education and training fund.....	100,000
14	Parking ticket court fines.....	8,200
15	Personal identification card fees.....	42,900
16	Reinstatement fees - operator licenses.....	1,535,400
17	Transportation administration collection fund.....	7,898,700
18	Vehicle theft prevention fees.....	1,423,800
19	State general fund/general purpose..... \$	335,800
20	(5) CUSTOMER DELIVERY SERVICES	
21	Full-time equated classified positions.....1,368.7	
22	Customer services administration--156.7 FTE	
23	positions..... \$	16,755,000
24	Branch operations--956.4 FTE positions.....	66,405,300
25	Central records--239.4 FTE positions.....	14,704,400
26	Commemorative license plates--16.2 FTE positions....	2,147,200
27	Specialty license plates.....	1,921,900

1	Olympic center plate.....	75,700
2	Organ donor program.....	<u>104,000</u>
3	GROSS APPROPRIATION..... \$	102,113,500
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from MDOT, Michigan transportation fund.....	20,000,000
7	Federal revenues:	
8	Federal funds.....	1,246,600
9	Special revenue funds:	
10	Private funds.....	100
11	Auto repair facilities fees.....	83,600
12	Child support clearance fees.....	358,900
13	Driver fees.....	12,270,100
14	Expedient service fees.....	2,629,800
15	Look-up fees.....	17,109,700
16	Marine safety fund.....	1,031,600
17	Michigan state police auto theft fund.....	105,600
18	Mobile home commission fees.....	428,900
19	Off-road vehicle title fees.....	110,600
20	Parking ticket court fines.....	1,457,900
21	Personal identification card fees.....	1,379,700
22	Reinstatement fees - operator licenses.....	1,045,600
23	Snowmobile registration fee revenue.....	302,100
24	Transportation administration collection fund.....	38,680,200
25	Vehicle theft prevention fees.....	190,500
26	State general fund/general purpose..... \$	3,682,000
27	(6) ELECTION REGULATION	

1	Full-time equated classified positions.....28.5		
2	Election administration and services--25.5 FTE		
3	positions.....	\$	2,743,200
4	Fees to local units.....		69,800
5	Qualified voter file--3.0 FTE positions.....		<u>1,773,400</u>
6	GROSS APPROPRIATION.....	\$	4,586,400
7	Appropriated from:		
8	State general fund/general purpose.....	\$	4,586,400
9	(7) DEPARTMENTWIDE APPROPRIATIONS		
10	Building occupancy charges/rent.....	\$	9,512,900
11	Worker's compensation.....		<u>726,900</u>
12	GROSS APPROPRIATION.....	\$	10,239,800
13	Appropriated from:		
14	Special revenue funds:		
15	Auto repair facilities fees.....		147,500
16	Driver fees.....		453,800
17	Expedient service fees.....		15,000
18	Look-up fees.....		1,968,300
19	Parking ticket court fines.....		489,200
20	Transportation administration collection fund.....		4,463,400
21	State general fund/general purpose.....	\$	2,702,600
22	(8) INFORMATION TECHNOLOGY		
23	Information technology services and projects.....	\$	<u>21,496,200</u>
24	GROSS APPROPRIATION.....	\$	21,496,200
25	Appropriated from:		
26	Special revenue funds:		
27	Administrative order processing fee.....		10,900

1	Auto repair facilities fees.....		176,500
2	Child support clearance fees.....		15,900
3	Driver fees.....		1,279,600
4	Expedient service fees.....		442,700
5	Look-up fees.....		2,650,700
6	Parking ticket court fines.....		81,400
7	Personal identification card fees.....		848,000
8	Reinstatement fees - operator licenses.....		457,900
9	Transportation administration collection fund.....		12,540,200
10	Vehicle theft prevention fees.....		168,100
11	State general fund/general purpose.....	\$	2,824,300
12	Sec. 110. DEPARTMENT OF TREASURY		
13	(1) APPROPRIATION SUMMARY		
14	Full-time equated unclassified positions.....	9.0	
15	Full-time equated classified positions.....	1,608.5	
16	GROSS APPROPRIATION.....	\$	1,578,078,700
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers.....	\$	13,143,100
20	ADJUSTED GROSS APPROPRIATION.....	\$	1,564,935,600
21	Federal revenues:		
22	Total federal revenues.....		34,645,300
23	Special revenue funds:		
24	Total local revenues.....		964,100
25	Total private revenues.....		0
26	Total other state restricted revenues.....		1,407,590,600
27	State general fund/general purpose.....	\$	121,735,600

1	(2) EXECUTIVE DIRECTION	
2	Full-time equated unclassified positions.....9.0	
3	Full-time equated classified positions.....5.0	
4	Unclassified positions--9.0 FTE positions.....	\$ 800,900
5	Office of the director--5.0 FTE positions.....	<u>648,100</u>
6	GROSS APPROPRIATION.....	\$ 1,449,000
7	Appropriated from:	
8	Special revenue funds:	
9	State lottery fund.....	141,300
10	State services fee fund.....	159,300
11	State general fund/general purpose.....	\$ 1,148,400
12	(3) DEPARTMENTWIDE APPROPRIATIONS	
13	Travel.....	\$ 1,388,500
14	Rent and building occupancy charges - property	
15	management services.....	4,604,900
16	Worker's compensation insurance premium.....	<u>541,200</u>
17	GROSS APPROPRIATION.....	\$ 6,534,600
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from MDOT, state aeronautics fund.....	2,500
21	IDG, state agency collection fees.....	16,900
22	Special revenue funds:	
23	Delinquent tax collection revenue.....	3,284,700
24	Municipal finance fees.....	10,600
25	Treasury fees.....	17,800
26	Waterways fund.....	2,200
27	State general fund/general purpose.....	\$ 3,199,900

1	(4) LOCAL GOVERNMENT PROGRAMS	
2	Full-time equated classified positions.....84.0	
3	Supervision of the general property tax law--51.0	
4	FTE positions.....	\$ 8,262,900
5	Property tax assessor training--4.0 FTE positions...	424,100
6	Local finance--19.0 FTE positions.....	2,024,300
7	State compliance audits.....	60,000
8	Personal property tax auditors--10.0 FTE positions..	900,000
9	Intermediate school district audits.....	1,000
10	Pari-mutuel audits.....	<u>240,000</u>
11	GROSS APPROPRIATION.....	\$ 11,912,300
12	Appropriated from:	
13	Special revenue funds:	
14	Local - assessor training fees.....	374,100
15	Local - audit charges.....	497,200
16	Local - equalization study charge-backs.....	40,000
17	Local - revenue from local government.....	50,000
18	Land reutilization fund.....	3,985,700
19	Municipal finance fees.....	256,800
20	State education tax collections.....	50,000
21	State services fee fund.....	240,000
22	State general fund/general purpose.....	\$ 6,418,500
23	(5) TAX PROGRAMS	
24	Full-time equated classified positions.....715.0	
25	Customer contact--178.0 FTE positions.....	\$ 12,292,600
26	Tax compliance--339.0 FTE positions.....	27,243,500
27	Tax policy--37.0 FTE positions.....	3,588,800

1	Tax processing--157.0 FTE positions.....	14,363,500
2	Home heating assistance.....	2,000,000
3	Bottle bill implementation.....	250,000
4	New hire reporting.....	1,545,000
5	Tobacco tax collection--4.0 FTE positions.....	<u>231,900</u>
6	GROSS APPROPRIATION..... \$	61,515,300
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, data/collection services fees.....	250,900
10	IDG from FIA.....	1,545,000
11	IDG from MDCH.....	231,900
12	IDG from MDOT, Michigan transportation fund.....	7,417,600
13	IDG from MDOT, state aeronautics fund.....	43,100
14	Federal revenues:	
15	HHS-SSA, low-income energy assistance.....	2,000,000
16	Special revenue funds:	
17	Bottle deposit fund.....	250,000
18	Delinquent tax collection revenue.....	45,155,100
19	Tobacco tax revenue.....	335,900
20	Waterways fund.....	56,200
21	State general fund/general purpose..... \$	4,229,600
22	(6) BANKING AND MANAGEMENT SERVICES	
23	Full-time equated classified positions.....325.5	
24	Human resources, program management,	
25	purchasing--32.0 FTE positions..... \$	2,800,800
26	Mail operations--20.0 FTE positions.....	1,849,400
27	Office of revenue and tax analysis--15.5 FTE	

1	positions.....	1,020,900
2	Unclaimed property--19.0 FTE positions.....	2,801,500
3	Human resources optimization user charges.....	44,200
4	Collections--167.0 FTE positions.....	15,307,600
5	Finance and accounting--32.0 FTE positions.....	1,529,500
6	Receipts processing--40.0 FTE positions.....	<u>2,481,600</u>
7	GROSS APPROPRIATION..... \$	27,835,500
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from FIA, title IV-D.....	542,500
11	IDG from MDOT, state aeronautics fund.....	16,900
12	IDG, levy/warrant cost assessment fees.....	1,810,800
13	IDG, receipt, warrant and cash processing fees.....	222,300
14	IDG, state agency collection fees.....	492,600
15	Special revenue funds:	
16	Delinquent tax collection revenue.....	13,474,700
17	Escheats revenue.....	2,801,500
18	Garnishment fees.....	460,700
19	Justice system fund.....	550,000
20	Treasury fees.....	159,700
21	Waterways fund.....	17,500
22	State general fund/general purpose..... \$	7,286,300
23	(7) FINANCIAL PROGRAMS	
24	Full-time equated classified positions.....208.0	
25	Retirement investments--72.0 FTE positions..... \$	12,345,000
26	Michigan merit award board--6.0 FTE positions.....	1,580,300
27	Michigan education savings program.....	1,000,000

1	Common cash investments and debt management--11.5	
2	FTE positions.....	1,050,700
3	Student financial assistance programs--118.5 FTE	
4	positions.....	<u>34,232,800</u>
5	GROSS APPROPRIATION..... \$	50,208,800
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG, fiscal agent service fees.....	158,500
9	Federal revenues:	
10	DED-OPSE, federal lenders allowance.....	9,851,300
11	DED-OPSE, higher education act of 1965, insured	
12	loans.....	22,309,400
13	Special revenue funds:	
14	College work-study.....	46,300
15	Michigan merit award trust fund.....	2,965,400
16	Retirement funds.....	12,345,000
17	School bond fees.....	435,300
18	Treasury fees.....	248,300
19	State general fund/general purpose..... \$	1,849,300
20	(8) DEBT SERVICE	
21	Water pollution control bond and interest redemption \$	2,650,300
22	Quality of life bond.....	59,699,900
23	Clean Michigan initiative.....	<u>19,099,900</u>
24	GROSS APPROPRIATION..... \$	81,450,100
25	Appropriated from:	
26	Special revenue funds:	
27	Cleanup and redevelopment funds.....	10,887,300

1	State general fund/general purpose.....	\$	70,562,800
2	(9) GRANTS		
3	Grants to counties in lieu of taxes.....	\$	9,900
4	Convention facility development distribution.....		53,499,900
5	Senior citizen cooperative housing tax exemption		
6	program.....		16,699,900
7	Commercial mobile radio service payments.....		28,999,900
8	Health and safety fund grants.....		23,499,900
9	Qualified agricultural loan payments.....		1,999,900
10	Renaissance zone reimbursement.....		1,967,900
11	Special grants.....		1,542,300
12	Purchased lands payments in lieu of taxes.....		<u>1,000</u>
13	GROSS APPROPRIATION.....	\$	128,220,600
14	Appropriated from:		
15	Special revenue funds:		
16	Health and safety fund.....		23,499,900
17	Commercial mobile radio service fees.....		28,999,900
18	Convention facility development fund.....		53,499,900
19	State general fund/general purpose.....	\$	22,220,900
20	(10) STATE LOTTERY		
21	Full-time equated classified positions.....165.0		
22	Lottery operations--165.0 FTE positions.....	\$	17,167,000
23	Human resources optimization user charges.....		29,400
24	Promotion and advertising.....		18,621,900
25	Lottery information technology services and projects		<u>3,940,100</u>
26	GROSS APPROPRIATION.....	\$	39,758,400
27	Appropriated from:		

1	Special revenue funds:		
2	State lottery fund.....		39,758,400
3	State general fund/general purpose.....	\$	0
4	(11) CASINO GAMING		
5	Full-time equated classified positions.....	106.0	
6	Michigan gaming control board.....	\$	50,000
7	Casino gaming control administration--	106.0 FTE	
8	positions.....		17,162,900
9	Human resources optimization user charges.....		14,700
10	Information technology services and projects.....		<u>1,023,600</u>
11	GROSS APPROPRIATION.....	\$	18,251,200
12	Appropriated from:		
13	Special revenue funds:		
14	Casino gambling agreements.....		383,500
15	State services fee fund.....		17,867,700
16	State general fund/general purpose.....	\$	0
17	(12) REVENUE SHARING		
18	Constitutional state general revenue sharing grants.	\$	691,901,000
19	Statutory state general revenue sharing grants.....		<u>443,499,000</u>
20	GROSS APPROPRIATION.....	\$	1,135,400,000
21	Appropriated from:		
22	Special revenue funds:		
23	Sales tax.....		1,135,400,000
24	State general fund/general purpose.....	\$	0
25	(13) INFORMATION TECHNOLOGY		
26	Information technology services and projects.....	\$	<u>15,542,900</u>
27	GROSS APPROPRIATION.....	\$	15,542,900

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from MDOT, Michigan transportation fund.....	391,600
4	Federal revenues:	
5	DED-OPSE, higher education act of 1965, insured	
6	loans.....	484,600
7	Special revenue funds:	
8	Local - assessor training fees.....	2,800
9	Delinquent tax collection revenue.....	8,815,000
10	Land reutilization fund.....	20,000
11	Michigan merit award trust fund.....	393,000
12	Retirement funds.....	616,000
13	State general fund/general purpose..... \$	4,819,900

14 PART 2
 15 PROVISIONS CONCERNING APPROPRIATIONS

16 GENERAL SECTIONS

17 Sec. 201. (1) Pursuant to section 30 of article IX of the state
 18 constitution of 1963, total state spending from state resources under
 19 part 1 for fiscal year 2004-2005 is \$1,963,374,200.00 and state
 20 spending from state resources to be paid to local units of government
 21 for fiscal year 2004-2005 is \$1,247,561,400.00. The itemized
 22 statement below identifies appropriations from which spending to units
 23 of local government will occur:

24 DEPARTMENT OF STATE

25	Fees to local units.....	\$	69,800
----	--------------------------	----	--------

1	Motorcycle safety education grants.....		<u>776,900</u>
2	Subtotal.....	\$	846,700
3	DEPARTMENT OF TREASURY		
4	Senior citizen cooperative housing tax exemption....	\$	16,699,900
5	Grants to counties in lieu of taxes.....		9,900
6	Purchased lands payments in lieu of taxes.....		1,000
7	Health and safety fund grants.....		23,499,900
8	Constitutional state general revenue sharing grants.		691,901,000
9	Statutory state general revenue sharing grants.....		443,499,000
10	Convention facility development fund distribution...		53,499,900
11	Commercial mobile radio service payments.....		14,093,900
12	Renaissance zone reimbursements.....		1,967,900
13	Special grants.....		<u>1,542,300</u>
14	Subtotal.....	\$	<u>1,246,714,700</u>
15	TOTAL GENERAL GOVERNMENT.....	\$	1,247,561,400

16 (2) Pursuant to section 30 of article IX of the state constitution
 17 of 1963, total state spending from state sources for fiscal year
 18 2004-2005 is estimated at \$25,793,740,100.00 in the 2004-2005
 19 appropriations acts and total state spending from state sources paid
 20 to local units of government for fiscal year 2004-2005 is estimated at
 21 \$15,486,200,000.00. The state-local proportion is estimated at 60.04%
 22 of total state spending from state resources.

23 (3) If payments to local units of government and state spending
 24 from state sources for fiscal year 2004-2005 are different than the
 25 amounts estimated in subsection (2), the state budget director shall
 26 report the payments to local units of government and state spending
 27 from state sources that were made for fiscal year 2004-2005 to the

1 senate and house of representatives standing committees on
2 appropriations within 30 days after the final book-closing for fiscal
3 year 2004-2005.

4 Sec. 202. The appropriations authorized under this act are
5 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
6 18.1594.

7 Sec. 203. As used in this act:

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

10 (b) "COBRA" means the consolidated omnibus budget reconciliation
11 act of 1985, Public Law 99-272, 100 Stat. 82.

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

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

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

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

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

20 (h) "EEOC" means the United States equal employment opportunity
21 commission.

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

23 (j) "FIA" means the Michigan family independence agency.

24 (k) "FTE" means full-time equated.

25 (l) "GF/GP" means general fund/general purpose.

26 (m) "HHS" means the United States department of health and human
27 services.

1 (n) "HHS-OS" means the HHS office of the secretary.

2 (o) "HHS-SSA" means the HHS social security administration.

3 (p) "HUD" means the United States department of housing and urban
4 development.

5 (q) "IDG" means interdepartmental grant.

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

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

8 (t) "MDA" means the Michigan department of agriculture.

9 (u) "MDCH" means the Michigan department of community health.

10 (v) "MDCS" means the Michigan department of civil service.

11 (w) "MDLEG" means the Michigan department of labor and economic
12 growth.

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

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

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

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

17 (bb) "PA" means public act.

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

19 Sec. 204. The department of civil service shall bill departments
20 and agencies at the end of the first fiscal quarter for the 1% charge
21 authorized by section 5 of article XI of the state constitution of
22 1963. Payments shall be made for the total amount of the billing by
23 the end of the second fiscal quarter.

24 Sec. 205. (1) A hiring freeze is imposed on the state classified
25 civil service. State departments and agencies are prohibited from
26 hiring any new classified civil service employees and prohibited from
27 filling any vacant state classified civil service positions. This

1 hiring freeze does not apply to internal transfers of classified
2 employees from 1 position to another within a department.

3 (2) The hiring freeze described in subsection (1) does not apply
4 to any classified state civil service position that meets any of the
5 following criteria:

6 (a) Filling the vacant position will directly prevent the loss of
7 federal funding.

8 (b) The vacant position deals directly with the direct provision
9 of public safety services including prison officers, law enforcement
10 officers, and child services enforcement workers.

11 (c) The vacant position provides direct health care services
12 including physicians, nurses, and other direct health care providers.

13 (d) The vacant position directly impacts necessary legal services
14 as determined by the attorney general.

15 (3) The state budget director shall report quarterly to the
16 chairpersons of the senate and house of representatives standing
17 committees on appropriations the number of new state classified civil
18 service employees hired during the previous quarter and the reasons to
19 justify the hiring.

20 Sec. 208. Unless otherwise specified, departments and agencies
21 receiving appropriations in part 1 shall use the Internet to fulfill
22 the reporting requirements of this act. This requirement may include
23 transmission of reports via electronic mail to the recipients
24 identified for each reporting requirement, or it may include placement
25 of reports on an Internet or Intranet site.

26 Sec. 209. Funds appropriated in part 1 shall not be used for the
27 purchase of foreign goods or services, or both, if competitively

1 priced and of comparable quality American goods or services, or both,
 2 are available. Preference should be given to goods or services, or
 3 both, manufactured or provided by Michigan businesses if they are
 4 competitively priced and of comparable quality.

5 Sec. 210. The director of each department receiving
 6 appropriations in part 1 shall take all reasonable steps to ensure
 7 businesses in deprived and depressed communities compete for and
 8 perform contracts to provide services or supplies, or both. Each
 9 director shall strongly encourage firms with which the department
 10 contracts to subcontract with certified businesses in depressed and
 11 deprived communities for services, supplies, or both.

12 Sec. 211. Pursuant to section 352 of the management and budget
 13 act, 1984 PA 431, MCL 18.1352, that provides for a transfer of state
 14 general funds into the countercyclical budget and economic
 15 stabilization fund, there is appropriated into the countercyclical
 16 budget and economic stabilization fund the sum of \$0.00. The
 17 calculation required by section 352 of the management and budget act,
 18 1984 PA 431, MCL 18.1352, is determined as follows:

	2003	2004
19		
20 Michigan personal income (millions).....	\$306,820	\$316,945
21 less: transfer payments.....	<u>48,374</u>	<u>51,373</u>
22 Subtotal.....	258,446	265,572
23 Divided by: Detroit CPI for 12 months		
24 ending June 30.....	1.814	1.839
25 Equals: Real adjusted Michigan personal		
26 income.....	\$142,473	\$144,380
27 Percentage change.....		1.3%

1	Percentage change in excess of 2%.....	0.0%
2	Multiplied by: estimated GF/GP revenue in	
3	FY 2003-2004 (millions).....	7,866.4
4	Equals: countercyclical budget and	
5	economic stabilization fund calculation	
6	for the fiscal year ending September 30,	
7	2005.....	\$0.0

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

12 Sec. 213. Funds appropriated in part 1 shall not be used by this
13 state, a department, an agency, or an authority of this state to
14 purchase an ownership interest in a casino enterprise or a gambling
15 operation as those terms are defined in the Michigan gaming control
16 and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

17 Sec. 214. From the funds appropriated in part 1 for information
18 technology, departments and agencies shall pay user fees to the
19 department of information technology for technology-related services
20 and projects. Such user fees shall be subject to provisions of an
21 interagency agreement between the departments and agencies and the
22 department of information technology.

23 Sec. 215. A department or state agency shall not take
24 disciplinary action against an employee for communicating with a
25 member of the legislature or their staff.

26 Sec. 216. (1) A department shall not spend any of the funds
27 appropriated in part 1 for travel outside the state of Michigan.

1 (2) From the funds appropriated in part 1, a department shall not
2 spend more than 50% of the amount spent on travel in fiscal year
3 2003-2004 in fiscal year 2004-2005.

4 (3) The restrictions in subsections (1) and (2) shall not apply if
5 the travel is required to provide necessary legal services to the
6 state, is part of revenue collection functions, or is necessary to
7 protect state investments, property, or assets. However, total travel
8 expenditures by departments under this subsection shall not exceed the
9 amount expended in fiscal year 2003-2004.

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

13 **DEPARTMENT OF ATTORNEY GENERAL**

14 Sec. 302. (1) The attorney general shall perform all legal
15 services, including representation before courts and administrative
16 agencies rendering legal opinions and providing legal advice to a
17 principal executive department or state agency. A principal executive
18 department or state agency shall not employ or enter into a contract
19 with any other person for services described in this section.

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

25 (3) The attorney general shall perform the duties specified in
26 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to 14.102,

1 and as otherwise provided by law.

2 Sec. 303. The attorney general may sell copies of the biennial
3 report in excess of the 350 copies that the attorney general may
4 distribute on a gratis basis. Gratis copies shall not be provided to
5 members of the legislature. Electronic copies of biennial reports
6 shall be made available on the department of attorney general's
7 website. The attorney general shall sell copies of the report at not
8 less than the actual cost of the report and shall deposit the money
9 received into the general fund.

10 Sec. 304. The department of attorney general is responsible for
11 the legal representation for state of Michigan state employee worker's
12 disability compensation cases. The risk management revolving fund
13 revenue appropriation in part 1 is to be satisfied by billings from
14 the department of attorney general for the actual costs of legal
15 representation, including salaries and support costs.

16 Sec. 305. In addition to the funds appropriated in part 1, not
17 more than \$400,000.00 shall be reimbursed per fiscal year for food
18 stamp fraud cases heard by the third circuit court of Wayne County
19 that were initiated by the department of attorney general pursuant to
20 the existing contract between the family independence agency, the
21 prosecuting attorneys association of Michigan, and the department of
22 attorney general. The source of this funding is money earned by the
23 department of attorney general under the agreement after the allowance
24 for reimbursement to the department of attorney general for costs
25 associated with the prosecution of food stamp fraud cases. It is
26 recognized that the federal funds are earned by the department of
27 attorney general for its documented progress on the prosecution of

1 food stamp fraud cases according to the United States department of
2 agriculture regulations and that once earned by this state, the funds
3 become state funds.

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

8 Sec. 307. In addition to the antitrust revenues in part 1,
9 antitrust, securities fraud, consumer protection or class action
10 enforcement revenues, or attorney fees recovered by the department,
11 not to exceed \$1,000,000.00, are appropriated to the department for
12 antitrust, securities fraud, and consumer protection or class action
13 enforcement cases. Any unexpended funds from antitrust, securities
14 fraud, and consumer protection or class action enforcement revenues at
15 the end of the fiscal year, including antitrust funds in part 1, are
16 carried forward for expenditure in the following fiscal year up to the
17 maximum authorization of \$1,000,000.00.

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

21 (2) The funds may be expended for the payment of litigation
22 settlements or attorney fees assessed against the governor or the
23 attorney general when acting in an official capacity as the named
24 party in litigation against the state. The funds may also be expended
25 for the payment of state costs incurred under section 16 of chapter X
26 of the code of criminal procedure, 1927 PA 175, MCL 770.16.

27 (3) Unexpended funds at the end of the fiscal year are carried

1 forward for expenditure in the following year, up to a maximum
2 authorization of \$500,000.00.

3 Sec. 309. From the prisoner reimbursement funds appropriated in
4 part 1, the department may spend up to \$400,000.00 on activities
5 related to the state correctional facilities reimbursement act, 1935
6 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated
7 in part 1, if the department collects in excess of \$1,131,000.00 in
8 gross annual prisoner reimbursement receipts provided to the general
9 fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to
10 the department of attorney general and may be spent on the
11 representation of the department of corrections and its officers,
12 employees, and agents, including, but not limited to, the defense of
13 litigation against the state, its departments, officers, employees, or
14 agents in civil actions filed by prisoners. Any unexpended funds at
15 the end of the fiscal year are carried forward for expenditure in the
16 following fiscal year up to the maximum authorization of
17 \$1,000,000.00.

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

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

27 Sec. 311. In addition to the funds appropriated in part 1,

1 \$700,000.00 is appropriated to the department of attorney general for
2 information technology services and projects expenditures. Any
3 unexpended funds at the end of the fiscal year are carried forward for
4 expenditure in the following fiscal year.

5 **DEPARTMENT OF CIVIL RIGHTS**

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

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

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

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

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

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

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

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

26 Sec. 403. The department of civil rights may contract with local
27 units of government to review equal employment opportunity compliance

1 of potential contractors and may charge for and expend amounts
2 received from local units of government for the purpose of developing
3 and providing these contractual services.

4 DEPARTMENT OF CIVIL SERVICE

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

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

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

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

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

1 **INFORMATION TECHNOLOGY**

2 Sec. 573. (1) The department of information technology may sell
3 and accept paid advertising for placement on any state website under
4 its jurisdiction. The department shall review and approve the content
5 of each advertisement. The department may refuse to accept
6 advertising from any person or organization or require modification to
7 advertisements based upon criteria determined by the department.
8 Revenue received under this subsection will be used for operating
9 costs of the department and for future technology enhancements to
10 state of Michigan e-government initiatives. Funds received under this
11 subsection shall be limited to \$250,000.00. Any funds in excess of
12 \$250,000.00 shall be deposited in the state general fund.

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

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

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

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

23 (4) By April 1, the department of information technology shall
24 report to the senate and house of representatives standing committees
25 on appropriations and the senate and house fiscal agencies that a
26 statement of the total revenue received from the sale of paid

1 advertising accepted under this section and a statement of the total
2 number of advertising transactions are available on the department's
3 website.

4 Sec. 574. The department of information technology may enter
5 into agreements to supply spatial information and technical services
6 to other principal executive departments, state agencies, local units
7 of government, and other organizations. The department of information
8 technology may receive and expend funds in addition to those
9 authorized in part 1 for providing information and technical services,
10 publications, maps, and other products. The department of information
11 technology may expend amounts received for salaries, supplies, and
12 equipment necessary to provide informational products and technical
13 services. Prior to December 1 of each year, the department will
14 provide a report to the senate and house of representatives standing
15 committees on appropriations subcommittees on general government,
16 detailing the sources of funding and expenditures made under this
17 section.

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

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

- 26 (a) Application development and maintenance.
27 (b) Desktop computer support and management.

1 (c) Mainframe computer support and management.

2 (d) Server support and management.

3 (e) Local area network support and management.

4 (f) Information technology contract, project, and procurement
5 management.

6 (g) Information technology planning and budget management.

7 (h) Telecommunication services, security, infrastructure, and
8 support.

9 (i) Software and software licensing.

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

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

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

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

26 Sec. 578. The department of information technology shall submit
27 a report for the immediately preceding fiscal year ending September 30

1 to the senate and house of representatives standing committees on
2 appropriations subcommittees on general government and the senate and
3 house fiscal agencies by March 1. The report shall include the
4 following:

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

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

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

17 Sec. 580. (1) From the funds appropriated in part 1 to general
18 services, for the department of state, there is appropriated
19 \$4,550,000.00 for the business application modernization project.
20 Funds shall only be used for the development, implementation, and
21 maintenance of the business application modernization project.

22 (2) The unexpended funds appropriated in part 1 for the business
23 application modernization project are designated as work project
24 appropriations and shall not lapse at the end of the fiscal year. Any
25 unencumbered or unallotted funds are carried over into the succeeding
26 fiscal year and shall continue to be available for expenditure until
27 the project has been completed. The total cost is estimated at

1 \$30,000,000.00, and the tentative completion date is September 30,
2 2008.

3 LEGISLATURE

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

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

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

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

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

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

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

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

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

26 Sec. 606a. The appropriations in part 1 to the legislative
27 branch, for automated data processing, shall be used to purchase

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

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

16 Sec. 608. Funds appropriated in part 1 for e-Law, the
17 legislative council's technology enhancement project, shall be used to
18 support technology improvements for legislative functions performed by
19 the legislative council agencies and to provide greater access to the
20 public regarding legislative information. These funds, along with
21 funds previously appropriated for the legislative session integration
22 system, are designated as work project appropriations and shall not
23 lapse at the end of the fiscal year, and shall continue to be
24 available for expenditure until the project has been completed. The
25 total cost is estimated at \$3,992,750.00, and the tentative completion
26 date is September 30, 2005.

27 Sec. 609. The funds appropriated in part 1 shall not be used to

1 pay for health insurance benefits for unmarried domestic partners of
2 legislators or legislative employees.

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

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

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

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

25 Sec. 613. From the funds appropriated in part 1 to the
26 legislative auditor general, the legislative auditor general's salary
27 and the salaries of the remaining 2.0 FTE unclassified positions shall

1 be set by the speaker of the house of representatives, the senate
2 majority leader, the house of representatives minority leader, and the
3 senate minority leader.

4 Sec. 614. Any audits, reviews, or investigations requested of
5 the auditor general by the legislature or by legislative leadership,
6 legislative committees, or individual legislators should include an
7 estimate of the additional costs involved and, when those costs exceed
8 \$50,000.00, should provide supplemental funding. The auditor general
9 will determine whether to perform those activities in keeping with
10 Audit Directive No. 29, which describes the office of auditor general
11 policy on responding to legislative requests.

12 DEPARTMENT OF MANAGEMENT AND BUDGET

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

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

26 (2) The department of management and budget may receive and expend

1 funds in addition to those authorized by part 1 for real estate,
2 architectural, design, and engineering services provided specifically
3 to other principal executive departments or state agencies, the
4 legislative branch, or the judicial branch.

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

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

15 Sec. 705. (1) The appropriation in part 1 to the department of
16 management and budget, for statewide appropriations from employer
17 contributions, represents amounts included within the various
18 appropriations for longevity and insurance, whether appropriated as a
19 single line item or commingled with program line items, throughout
20 state government for the current fiscal year for purposes of funding
21 the child care information and referral services, severance pay funds,
22 and professional development funds included within statewide
23 appropriations. Deposits against the interdepartmental grant from
24 employer contributions shall be made from assessments levied against
25 the longevity and insurance appropriations during the current fiscal
26 year in a manner prescribed by the department of management and
27 budget. Any deposits made under this subsection and any unencumbered

1 funds are restricted revenues, may be carried over into the succeeding
2 fiscal years, and are appropriated.

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

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

15 (4) In addition to the funds appropriated in part 1 to the
16 department of management and budget, for statewide appropriations from
17 employer contributions, the department of management and budget may
18 receive and expend funds in such additional amounts as may be
19 specified in joint labor/management agreements or through the
20 coordinated compensation hearings process in the same manner and
21 subject to the same conditions as prescribed in subsections (1), (2),
22 and (3).

23 Sec. 706. To the extent a specific appropriation is required for
24 a detail source of financing included in part 1 for the department of
25 management and budget appropriations financed from special revenue and
26 internal service and pension trust funds, or MAIN user charges, the
27 specific amounts are appropriated within the special revenue internal

1 service and pension trust funds in portions not to exceed the
2 aggregate amount appropriated in part 1.

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

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

21 Sec. 709. (1) Deposits against the interdepartmental grant from
22 building occupancy and parking charges appropriated in part 1 shall be
23 collected, in part, from state agencies, the legislative branch, and
24 the judicial branch based on estimated costs associated with
25 maintenance and operation of buildings managed by the department of
26 management and budget. To the extent excess revenues are collected
27 due to estimates of building occupancy charges exceeding actual costs,

1 the excess revenues may be carried forward into succeeding fiscal
2 years for the purpose of returning funds to state agencies.

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

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

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

1 bids or requests for proposals.

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

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

15 Sec. 714. Funds collected by the department of management and
16 budget under sections 55, 57, 58, and 59 of the administrative
17 procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and
18 24.259, and section 203 of the legislative council act, 1986 PA 268,
19 MCL 4.1203, are appropriated for all expenses necessary to provide for
20 the costs of publication and distribution. The funds appropriated
21 under this section are allotted for expenditure when they are received
22 by the department of treasury and shall not lapse to the general fund
23 at the end of the fiscal year.

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

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

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

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

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

1 Sec. 716. The department of management and budget shall adopt
2 policies and procedures necessary for compliance by the department,
3 other state departments and agencies, and state vendors and
4 subcontractors, with the requirement under subsection (1) of section
5 261 of the management and budget act, 1984 PA 431, MCL 181.261, to
6 provide a purchasing preference for products manufactured or services
7 offered by Michigan-based firms.

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

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

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

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

1 economy.

2 (d) Whether the acquisition of goods or services from a vendor
3 that is an expatriated business entity located in a tax haven country
4 or an affiliate of an expatriated business entity located in a tax
5 haven country would be detrimental to the state of Michigan, its
6 residents, or the state's economy. As used in this section,
7 "expatriated business entity" means a corporation or an affiliate of
8 the corporation incorporated in a tax haven country after September
9 11, 2001, but with the United States as the principal market for the
10 public trading of the corporation's stock, as determined by the
11 director of the department of management and budget. "Tax haven
12 country" means each of the following: Barbados, Bermuda, British
13 Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus,
14 Gibraltar, Isle of Man, the Principality of Liechtenstein, the
15 Principality of Monaco, and the Republic of the Seychelles.

16 (e) Whether the provision of services to this state at a location
17 outside of this state or the United States would be detrimental to the
18 privacy interests of Michigan residents, or risk the disclosure of
19 personal information of Michigan residents, such as social security,
20 financial, or medical data.

21 (f) Whether a proposal by a vendor to provide services to this
22 state from a location outside of this state or the United States would
23 constitute undue risk under a risk management policy, practice, or
24 procedure adopted by the department of management and budget under
25 section 204 of the management and budget act, 1984 PA 431, MCL
26 18.1204.

27 (g) Whether a proposal by a vendor to provide goods to this state

1 produced outside of this state or the United States would constitute
2 undue risk under a risk management policy, practice, or procedure
3 adopted by the department of management and budget under section 204
4 of the management and budget act, 1984 PA 431, MCL 18.1204.

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

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

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

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

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

24 **DEPARTMENT OF STATE**

25 Sec. 802. All funds made available by section 3171 of the
26 insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated

1 and made available to the department of state to be expended only for
2 the uses and purposes for which the funds are received as provided by
3 sections 3171 to 3177 of the insurance code of 1956, 1956 PA 218,
4 MCL 500.3171 to 500.3177.

5 Sec. 803. From the funds appropriated in part 1, the department
6 of state shall sell copies of records including, but not limited to,
7 records of motor vehicles, off-road vehicles, snowmobiles, watercraft,
8 mobile homes, personal identification cardholders, drivers, and boat
9 operators and shall charge \$7.00 per record sold only as authorized in
10 section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b,
11 section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315,
12 81114, and 82156 of the natural resources and environmental protection
13 act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156.
14 The department shall use the revenue received from the sale of records
15 for necessary expenses as appropriated in part 1. The balance of the
16 fee revenue remaining on September 30 shall revert to the general
17 fund.

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

22 Sec. 805. (1) The department of state may accept gifts,
23 donations, contributions, and grants of money and other property from
24 any private or public source to underwrite, in whole or in part, the
25 cost of a departmental publication that is prepared and disseminated
26 under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A
27 private or public funding source may receive written recognition in

1 the publication and may furnish a traffic safety message, subject to
2 departmental approval, for inclusion in the publication. The
3 department may reject a gift, donation, contribution, or grant. The
4 department may furnish copies of a publication underwritten, in whole
5 or in part, by a private source to the underwriter at no charge.

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

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

26 (4) Any unexpended revenues received under this section shall be
27 carried over into subsequent fiscal years and shall be available for

1 appropriation for the purposes described in this section.

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

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

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

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

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

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

27 Sec. 806. Funds collected by the department of state under

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

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

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

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

23 (2) Commemorative and specialty license plate fee revenue
24 collected by the department of state and deposited in the
25 transportation administration collection fund, in addition to the
26 amount appropriated in part 1 to the department of state, shall remain
27 in the transportation administration collection fund and be available

1 for future appropriation.

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

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

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

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

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

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

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

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

23 Sec. 815. (1) At least 60 days prior to the announcement of
24 secretary of state branch office closings, consolidations, or
25 relocations, the department of state shall inform members of the
26 senate and house of representatives standing committees on
27 appropriations and legislators who represent affected areas regarding

1 the details of the proposal. The information provided shall be in
2 written form and include all analysis done regarding criteria for
3 changes in the location of branch offices, including, but not limited
4 to, branch transactions, revenue, and the impact on citizens of the
5 affected area. The impact on citizens shall include information
6 regarding additional distance to branch office locations resulting
7 from the plan. The above written notice provided by the department of
8 state shall also include detailed estimates of costs and savings that
9 will result from the overall changes made to the branch office
10 structure.

11 (2) Prior to November 1, 2004, the department of state shall
12 provide a report to the senate and house standing committees on
13 appropriations subcommittees on general government regarding the
14 department's branch optimization plan that was announced on April 26,
15 2004. The report shall include a listing of all closed offices
16 detailing savings by office, including lease, utilities, and all other
17 savings associated with the closed office. The department shall
18 provide the same level of detail regarding costs for new leased
19 facilities and expansions of current leased space.

20 Sec. 816. (1) Any service assessment collected by the department
21 of state from the user of a credit or debit card under section 3 of
22 1995 PA 144, MCL 11.23, is appropriated to the department for
23 necessary expenses related to that service and may be remitted to a
24 credit or debit card company, bank, or other financial institution.
25 Funds are allocated for expenditure when they are received by the
26 department of treasury.

27 (2) The service assessment imposed by the department of state for

1 credit and debit card services may be based either on a percentage of
2 each individual credit or debit card transaction, or on a flat rate
3 per transaction, or both scaled to the amount of the transaction.
4 However, the department shall not charge any amount for a service
5 assessment which exceeds the costs billable to the department for
6 service assessments.

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

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

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

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

24 (3) Funds in part 1 for motorcycle safety education grants and
25 administration shall be used to provide grants to colleges,
26 universities, intermediate school districts, local school districts,
27 law enforcement agencies, or other governmental agencies located in

1 the state, to help subsidize safety training courses for individuals
2 interested in operating motorcycles.

3 (4) Funds in part 1 for motorcycle safety education grants and
4 administration may be used by the department of state for
5 administration costs of the motorcycle safety education program, to
6 include, but not be limited to, review and approval or disapproval of
7 grant applications, monitoring eligibility of motorcycle safety
8 instructors, conducting program evaluation, certifying third party
9 testers, and inspecting training sites.

10 Sec. 819. (1) From the funds appropriated in part 1 to the
11 department of state, for information technology services and projects,
12 there is appropriated \$4,550,000.00 for the business application
13 modernization project. Funds shall only be used for the development,
14 implementation, and maintenance of the business application
15 modernization project.

16 (2) The unexpended funds appropriated in part 1 for the business
17 application modernization project are designated as work project
18 appropriations and shall not lapse at the end of the fiscal year. Any
19 unencumbered or unallotted funds are carried over into the succeeding
20 fiscal year and shall continue to be available for expenditure until
21 the project has been completed. The total cost is estimated at
22 \$30,000,000.00, and the tentative completion date is September 30,
23 2008.

24 **DEPARTMENT OF TREASURY**

25 **OPERATIONS**

26 Sec. 902. (1) Amounts needed to pay for interest, fees,

1 principal, arbitrage rebates as required by federal law, and costs
2 associated with the payment, registration, trustee services, credit
3 enhancements, and issuing costs in excess of the amount appropriated
4 to the department of treasury in part 1 for debt service on notes and
5 bonds that are issued by the state under sections 14, 15, and 16 of
6 article IX of the state constitution of 1963 as implemented by 1967
7 PA 266, MCL 17.451 to 17.455, are appropriated.

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

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

25 (2) From the funds appropriated in part 1, the department of
26 treasury may contract with private collections agencies and law firms
27 to collect defaulted student loans and other accounts due the Michigan

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

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

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

27 (2) In addition to the funds appropriated in part 1 from the

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

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

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

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

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

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

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

26 Sec. 908. The amount appropriated in part 1 to the department of
27 treasury, home heating assistance program, is to cover the costs,

1 including data processing, of administering federal home heating
2 credits to eligible claimants and to administer the supplemental fuel
3 cost payment program for eligible tax credit and welfare recipients.

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

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

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

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

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

18 (a) A fee of \$6.00 at the time a writ of garnishment of periodic
19 payments is served upon the state treasurer, as provided in section
20 4012 of the revised judicature act of 1961, 1961 PA 236,
21 MCL 600.4012.

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

26 Sec. 913. (1) The department of treasury may contract with
27 private firms to appraise and, if necessary, appeal the assessments of

1 senior citizen cooperative housing units. Payment for this service
2 shall be from savings resulting from the appraisal or appeal process.

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

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

15 Sec. 915. Pursuant to section 61 of the Michigan campaign
16 finance act, 1976 PA 388, MCL 169.261, there is appropriated from the
17 general fund to the state campaign fund an amount equal to the amounts
18 designated for tax year 2004. Except as otherwise provided in this
19 section, the amount appropriated shall not revert to the general fund
20 and shall remain in the state campaign fund. Any amounts remaining in
21 the state campaign fund in excess of \$10,000,000.00 on December 31,
22 2006 shall revert to the general fund.

23 Sec. 916. The department of treasury may make available to
24 interested entities otherwise unavailable customized unclaimed
25 property listings of nonconfidential information in its possession.
26 The charge for this information is as follows: 1 to 100,000 records
27 at 2.5 cents per record and 100,001 or more records at .5 cents per

1 record. The revenue received from this service shall be deposited to
2 the appropriate revenue account or fund. The department shall submit
3 an annual report on or before June 1 to the state budget director and
4 the senate and house of representatives standing committees on
5 appropriations that states the amount of revenue received from the
6 sale of information.

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

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

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

20 Sec. 919. (1) From funds appropriated in part 1, the department
21 of treasury may contract with private auditing firms to audit for and
22 collect unclaimed property due this state in accordance with the
23 Michigan uniform unclaimed property act. In addition to the amounts
24 appropriated in part 1 to the department of treasury, there are
25 appropriated amounts necessary to fund auditing and collection costs
26 and fees not to exceed 12% of the collections, or a lesser amount as
27 prescribed by the contract. The appropriation to fund collection

1 costs and fees for the auditing and collection of unclaimed property
2 due this state is from the fund or account to which the revenues being
3 collected are recorded or dedicated.

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

11 Sec. 920. Payments from the appropriation in part 1 to the
12 department of treasury for grants to counties in lieu of taxes for
13 lands transferred to the federal government include a payment for
14 Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901 to
15 3.910.

16 Sec. 921. The state general fund/general purpose appropriation
17 in part 1 for renaissance zone reimbursement is allocated to reimburse
18 public libraries as provided by section 12 of the Michigan renaissance
19 zone act, 1996 PA 376, MCL 125.2692, for property taxes levied in
20 2004. Reimbursements shall be made in amounts to each eligible
21 recipient not later than 60 days after the department of treasury
22 certifies to the department that it has received all necessary
23 information to properly determine the amounts due each eligible
24 recipient under section 12(4) of the Michigan renaissance zone act,
25 1996 PA 376, MCL 125.2692. Any excess allocations shall lapse to the
26 general fund.

27 Sec. 922. The department of treasury shall submit a report for

1 the immediately preceding fiscal year ending September 30 to the
2 senate and house of representatives standing committees on
3 appropriations subcommittees on general government, the senate and
4 house fiscal agencies, and the state budget director by November 30
5 stating the amount of Michigan transportation fund revenue collected
6 and the cost of collection.

7 Sec. 923. Notwithstanding any other provision of this act, the
8 department of treasury shall not expend any funds on initiating a new
9 audit of any taxpayer until the department fully and completely
10 complies with section 4(3) of 1941 PA 122, MCL 205.4. This provision
11 shall not require the department to disclose audit selection or
12 processing criteria as provided by section 28(1)(f) of 1941 PA 122,
13 MCL 205.28. The department shall publish the required handbook which
14 informs taxpayers and tax preparers of audit and collection procedures
15 used by the department and procedures which govern departmental
16 communications with taxpayers in the audit and collection process.
17 The department may comply with this publishing requirement by making
18 the audit information available to taxpayers and tax preparers through
19 the department's website on the Internet.

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

25 (2) The department of treasury shall submit a report for the
26 immediately preceding fiscal year to the state budget director and the
27 senate and house fiscal agencies not later than December 31, stating

1 the amount of revenue appropriated for homestead property tax
2 exemption audits under subsection (1).

3 Sec. 926. From the funds appropriated in part 1 to the
4 department of treasury, local finance, the department shall conduct a
5 financial audit, a performance audit, and an independent efficiency
6 evaluation of the Detroit water and sewerage department.

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

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

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

1 Sec. 930. (1) The department of treasury shall provide accounts
2 receivable collections services to other principal executive
3 departments and state agencies under 1927 PA 375, MCL 14.131 to
4 14.134. The department of treasury shall deduct a fee equal to the
5 cost of collections from all receipts except unrestricted general fund
6 collections. Fees shall be credited to a restricted revenue account
7 and appropriated to the department of treasury to pay for the cost of
8 collections. The department of treasury shall maintain accounting
9 records in sufficient detail to enable the respective accounts to be
10 reimbursed periodically for fees deducted that are determined by the
11 department of treasury to be surplus to the actual cost of
12 collections.

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

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

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

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

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

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

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

23 Sec. 934. The department of treasury may expend revenues
24 received under the hospital finance authority act, 1969 PA 38,
25 MCL 331.31 to 331.84, for necessary salaries, wages, supplies,
26 contractual services, equipment, worker's compensation insurance
27 premiums, and grants to the civil service commission and state

1 employees' retirement fund. The department of treasury shall maintain
2 accounting records in sufficient detail to enable the hospital clients
3 to be reimbursed periodically for fees that are determined by the
4 department of treasury to be surplus to needs.

5 Sec. 935. The department of treasury may expend revenue received
6 under the shared credit rating act, 1985 PA 227, MCL 141.1051 to
7 141.1076, for necessary salaries, wages, supplies, contractual
8 services, equipment, worker's compensation insurance premiums, and
9 grants to the civil service commission and state employees' retirement
10 fund.

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

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

1 Sec. 938. The general fund support included in part 1 for
2 property tax assessor training shall be allocated to the education and
3 training of current assessors. Specifically, funds shall be used
4 related to training for assessing personal property or to achieve a
5 higher level of certification as an assessor.

6 Sec. 939. It is the intent of the legislature that pension funds
7 be invested in no less than 2% but not more than 5% in early stage,
8 university derived life science companies located solely in Michigan,
9 or in Michigan based seed stage venture capital funds which invest in
10 such life science companies, but only to the extent such venture
11 capital funds invest such funds in Michigan derived life science
12 companies.

13 Sec. 940. The appropriation in part 1 for personal property tax
14 auditors shall only be used to hire state classified civil service
15 employees to perform personal property tax audits, or for state
16 classified civil service employees to provide assistance to local
17 units of government in the performance of personal property tax
18 audits.

19 **REVENUE SHARING**

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

House Bill No. 5517 as amended June 1, 2004

1 section.

2 (2) The appropriation in part 1 for statutory state general
3 revenue sharing grants shall be distributed according to the Glenn
4 Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to
5 141.921. Undistributed funds shall lapse to the general fund.

6 Sec. 951. County treasurers shall comply with section 151 of the
7 state school aid act of 1979, 1979 PA 94, MCL 388.1751, to receive
8 funds under part 1 for the statutory state general revenue sharing
9 grant payments in excess of the constitutional state general revenue
10 sharing grant payments. The payment of funds under part 1 for the
11 statutory state general revenue sharing grant payments in excess of
12 the constitutional state general revenue sharing grant payments shall
13 not be withheld if a local unit of government or the department of
14 treasury fails to provide a county treasurer with information
15 necessary to comply with section 151 of the state school aid act of
16 1979, 1979 PA 94, MCL 388.1751.

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

23 Sec. 953. There is appropriated to each county an amount
24 pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA
25 140, MCL 141.901 to 141.921.

<<Sec. 954. Local units of government that adopt ordinances or
rules, whether by vote of the electorate, county commissions, city
councils, or executive directive, that are in direct conflict with the
Michigan constitution or state statute shall receive a 5% reduction in
their statutory revenue sharing payment.>>

26 **LOTTERY**

27 Sec. 960. In addition to the funds appropriated in part 1 to the

1 bureau of state lottery, there is appropriated from lottery revenues
2 the amount necessary for, and directly related to, implementing and
3 operating lottery games. Appropriations under this section shall only
4 be expended for contractually mandated payments for vendor
5 commissions, contractually mandated payments for instant tickets
6 intended for resale, the contractual costs of providing and
7 maintaining the on-line system communications network, and incentive
8 and bonus payments to lottery retailers.

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

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

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

19 **CASINO GAMING**

20 Sec. 970. Revenue collected by the Michigan gaming control board
21 regarding the wagering tax imposed on adjusted gross receipts received
22 by the licensee from gaming authorized under the Michigan gaming
23 control and revenue act, the Initiated Law of 1996, MCL 432.201 to
24 432.226, at the rate of 8.15% is appropriated and shall be deposited
25 in the state school aid fund to provide additional funds for K-12
26 classroom education.

27 Sec. 971. From the revenue collected by the Michigan gaming

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

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

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

15 (2) A local revenue sharing board described in subsection (1)
16 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
17 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to
18 15.246.

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

27 (4) The director of the department of state police and the

1 executive director of the Michigan gaming control board are authorized
 2 to assist the local revenue sharing boards in determining allocations
 3 to be made to local public safety organizations.

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

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

16 **REVENUE STATEMENT**

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

20 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

21 (Amounts in millions)

22 Fiscal Year 2004-2005

23		Beginning		
24	Fund	Unreserved		
25		Fund	Estimated	Ending
26		Balance	Revenue	Balance

1	OPERATING FUNDS				
2	General fund-general purpose	0110	0.0	8,622.6	0.0
3	General fund-special purpose		254.8	12,490.0	6.1
4	Special Revenue Funds:				
5	Countercyclical budget and				
6	economic stabilization	0111	0.0	154.0	0.0
7	Game and fish protection	0112	12.2	62.6	6.4
8	Michigan employment security act				
9	administration	0113	1.9	92.7	0.2
10	State aeronautics	0114	3.1	218.1	0.0
11	Michigan veterans' benefit trust	0115	0.0	2.3	0.0
12	State trunkline	0116	0.0	1,854.8	0.0
13	Michigan state waterways	0117	2.9	24.0	5.1
14	Blue Water Bridge	0118	0.0	13.4	0.0
15	Michigan transportation	0119	0.0	2,037.8	0.0
16	Comprehensive transportation	0120	0.0	302.8	0.0
17	School aid	0122	0.0	12,441.8	0.0
18	Marine safety	0123	0.0	4.8	0.0
19	Game and fish protection trust	0124	6.0	10.5	6.0
20	State park improvement	0125	1.9	33.5	0.0
21	Forest development	0126	0.0	22.0	0.0
22	Michigan civilian conservation				
23	corps endowment	0128	0.2	1.0	0.1
24	Michigan natural resources trust	0129	15.5	38.3	12.6
25	Michigan state parks endowment	0130	8.9	16.3	10.0
26	Safety education and training	0131	5.2	7.7	5.5
27	Bottle deposit	0136	0.0	20.3	0.0

1	State construction code	0138	11.1	8.4	3.2
2	Children's trust	0139	1.2	3.3	0.0
3	State casino gaming	0140	0.6	30.1	0.6
4	Homeowner construction lien				
5	recovery	0141	3.0	0.4	1.9
6	Michigan nongame fish and				
7	wildlife	0143	0.2	0.6	0.1
8	Michigan merit award trust	0154	0.4	204.1	0.5
9	Tobacco settlement trust	0155	6.4	68.0	0.5
10	TOTALS		\$335.5	\$38,786.2	\$58.8