

No. 81
STATE OF MICHIGAN
JOURNAL
OF THE
House of Representatives
95th Legislature
REGULAR SESSION OF 2010

House Chamber, Lansing, Tuesday, September 21, 2010.

10:00 a.m.

The House was called to order by the Speaker Pro Tempore.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Agema—present	Durhal—present	Kurtz—present	Proos—present
Amash—present	Ebli—present	Lahti—present	Roberts—present
Angerer—present	Elsenheimer—present	LeBlanc—present	Rocca—present
Ball—present	Espinoza—present	Leland—present	Rogers—present
Barnett—present	Geiss—present	Lemmons—present	Schmidt, R.—present
Bauer—present	Genetski—present	Lindberg—present	Schmidt, W.—present
Bennett—present	Gonzales—present	Lipton—present	Schuitmaker—present
Bledsoe—present	Green—present	Liss—present	Scott, B.—present
Bolger—present	Gregory—present	Lori—present	Scott, P.—present
Booher—present	Griffin—present	Lund—present	Scripps—present
Brown, L.—present	Haase—present	Marleau—present	Segal—present
Brown, T.—present	Haines—present	Mayes—present	Sheltrown—present
Byrnes—present	Hammel—present	McDowell—present	Slavens—present
Byrum—present	Hansen—present	McMillin—present	Slezak—present
Calley—present	Haugh—present	Meadows—present	Smith—present
Caul—present	Haveman—present	Meekhof—present	Spade—present
Clemente—present	Hildenbrand—present	Melton—present	Stamas—present
Constan—present	Horn—present	Meltzer—present	Stanley—present
Corriveau—present	Huckleberry—present	Miller—present	Switalski—present
Crawford—present	Jackson—present	Moss—present	Tlaib—present
Cushingberry—present	Johnson—present	Nathan—present	Tyler—present
Daley—present	Jones, Rick—present	Nerat—present	Valentine—present
Dean—present	Jones, Robert—present	Neumann—present	Walsh—present
Denby—present	Kandrevas—present	Opsommer—present	Warren—present
DeShazor—present	Kennedy—present	Pavlov—present	Womack—present
Dillon—present	Knollenberg—present	Pearce—present	Young—present
Donigan—present	Kowall—present	Polidori—present	

e/d/s = entered during session

Rep. Dave Agema, from the 74th District, offered the following invocation:

“Almighty God, Maker of heaven and earth, we give You praise for who You are and what You have created. We thank You for food, housing, health and an abundance of things—even though they sometimes lead us away from the maker of all things. You have made man in Your own image to rule on this earth and we have failed miserably. We have called good evil and evil good and encouraged others to do the same—forgive us Lord and help us to take the path Your Holy Spirit would have us go.

Father, Your Word says ‘Let him that does not work, not eat’, so let us manage the affairs of state so jobs may be available that men and women may provide for their families. I pray for our families as well Lord that they may stay together. That the hearts of the fathers may be turned toward their children. That Children would be obedient to parents and that parents would not drive their children to anger. That marriage may once again be honored and children grow up with a father and mother. This was Your plan from the beginning and I pray it may be so again.

I pray for wisdom, knowledge and discernment for everyone here as well as those that are fighting wars in distant lands leaving wives, children and relatives. I pray for their safety and look forward to the time when there will be no more war when You return. Until then, be merciful to us Lord and grant our leaders, both military and civilian the wisdom needed.

I pray that government would once again return to what our forefathers forged for us, one Nation, under God with liberty and justice for all.

I ask this in Jesus, my Saviors name. Amen, so let it be.”

Rep. Angerer moved that House Committees be given leave to meet during the balance of today’s session. The motion prevailed.

Reports of Standing Committees

The Committee on Energy and Technology, by Rep. Mayes, Chair, reported

House Bill No. 6435, entitled

A bill to amend 2007 PA 36, entitled “Michigan business tax act,” by amending section 460 (MCL 208.1460), as added by 2008 PA 335.

With the recommendation that the substitute (H-1) be adopted and that the bill then pass.

The bill and substitute were referred to the order of Second Reading of Bills.

Favorable Roll Call

To Report Out:

Yeas: Reps. Mayes, Geiss, Lisa Brown, Clemente, Ebli, Huckleberry, Johnson, Lindberg, Lipton, Melton, Roberts, Scripps and Wayne Schmidt

Nays: Reps. Opsommer and Proos

COMMITTEE ATTENDANCE REPORT

The following report, submitted by Rep. Mayes, Chair, of the Committee on Energy and Technology, was received and read:

Meeting held on: Tuesday, September 21, 2010

Present: Reps. Mayes, Geiss, Lisa Brown, Clemente, Ebli, Huckleberry, Johnson, Lindberg, Lipton, Melton, Roberts, Scripps, Horn, Crawford, Opsommer, Proos, Wayne Schmidt and Schuitmaker

Absent: Rep. Marleau

Excused: Rep. Marleau

Messages from the Senate

House Bill No. 4932, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," by amending section 310b (MCL 750.310b), as added by 1996 PA 539.

The Senate has appointed Senators Sanborn, Richardville and Thomas as conferees to join with Representatives Johnson, Haugh and Rocca.

The bill was referred to the Conference Committee on September 17, 2010.

Messages from the Governor

Date: September 17, 2010

Time: 10:30 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

Enrolled House Bill No. 5221 (Public Act No. 159, I.E.), being

An act to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by repealing part 205 (MCL 324.20501 to 324.20519).

(Filed with the Secretary of State September 17, 2010, at 3:44 p.m.)

Date: September 17, 2010

Time: 10:32 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

Enrolled House Bill No. 5678 (Public Act No. 160, I.E.), being

An act to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending section 25 (MCL 205.75), as amended by 2008 PA 361.

(Filed with the Secretary of State September 17, 2010, at 3:46 p.m.)

Date: September 17, 2010

Time: 10:34 a.m.

To the Speaker of the House of Representatives:

Sir—I have this day approved and signed

Enrolled House Bill No. 5679 (Public Act No. 161, I.E.), being

An act to amend 1976 PA 295, entitled "An act to improve and maintain transportation services in this state; to provide for the acquisition and use of funds; to provide for the acquisition of certain railroad facilities and certain property; to provide for the disposition and use of facilities and property acquired under this act; to provide for financial assistance to certain private transportation services; to prescribe the powers and duties of certain state departments and agencies; to provide for the transfer of certain funds; to provide for the creation of certain funds; and to provide for appropriations," by amending section 15a (MCL 474.65a), as added by 2002 PA 747.

(Filed with the Secretary of State September 17, 2010, at 3:48 p.m.)

Introduction of Bills

Rep. Miller introduced

House Bill No. 6462, entitled

A bill to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set

up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," by amending sections 9a, 10c, and 20a (MCL 247.659a, 247.660c, and 247.670a), section 9a as amended by 2007 PA 199, section 10c as amended by 2008 PA 485, and section 20a as amended by 2005 PA 5.

The bill was read a first time by its title and referred to the Committee on Transportation.

Announcements by the Clerk

September 17, 2010

Received from the Auditor General a copy of the following audit report and/or report summary:
Performance audit of Road and Bridge Construction Project Monitoring, Michigan Department of Transportation, September 2010.

Richard J. Brown
Clerk of the House

By unanimous consent the House returned to the order of

Reports of Select Committees

The Speaker laid before the House the conference report relative to
House Bill No. 5884, entitled

A bill to make appropriations for the department of energy, labor, and economic growth and certain other state purposes for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

(The conference report was reported by the conference committee on September 16, consideration of which, under the rules, was postponed until today.)

(For conference report, see House Journal No. 80, p. 1427.)

The question being on the adoption of the conference report,

The conference report was adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 394

Yeas—66

Angerer
Ball

Donigan
Durhal

LeBlanc
Leland

Rogers
Schmidt, R.

Barnett	Ebli	Lemmons	Schmidt, W.
Bauer	Espinoza	Lindberg	Segal
Bennett	Geiss	Lipton	Sheltrown
Bledsoe	Gonzales	Liss	Slavens
Booher	Gregory	Mayes	Slezak
Brown, L.	Griffin	McDowell	Smith
Brown, T.	Haase	Meadows	Spade
Byrnes	Hammel	Melton	Stanley
Byrum	Haug	Miller	Switalski
Clemente	Huckleberry	Moss	Tlaib
Constan	Jackson	Nerat	Valentine
Corriveau	Johnson	Neumann	Walsh
Cushingberry	Jones, Robert	Polidori	Warren
Dean	Kennedy	Rocca	Womack
Dillon	Lahti		

Nays—41

Agema	Green	Kurtz	Pearce
Amash	Haines	Lori	Proos
Bolger	Hansen	Lund	Roberts
Calley	Haveman	Marleau	Schuitmaker
Caul	Hildenbrand	McMillin	Scott, B.
Crawford	Horn	Meekhof	Scott, P.
Daley	Jones, Rick	Meltzer	Scripps
Denby	Kandrevas	Nathan	Stamas
DeShazor	Knollenberg	Opsommer	Tyler
Elsenheimer	Kowall	Pavlov	Young
Genetski			

In The Chair: Byrnes

Second Reading of Bills

Senate Bill No. 1354, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” by amending sections 1062 and 1068 (MCL 600.1062 and 600.1068), section 1062 as amended by 2006 PA 620 and section 1068 as added by 2004 PA 224.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Judiciary,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Melton moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Melton moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

Senate Bill No. 1354, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” by amending sections 1062 and 1068 (MCL 600.1062 and 600.1068), section 1062 as amended by 2006 PA 620 and section 1068 as added by 2004 PA 224.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 395**Yeas—107**

Agema	Durhal	Kurtz	Proos
Amash	Ebli	Lahti	Roberts
Angerer	Elsenheimer	LeBlanc	Rocca
Ball	Espinoza	Leland	Rogers
Barnett	Geiss	Lemmons	Schmidt, R.
Bauer	Genetski	Lindberg	Schmidt, W.
Bennett	Gonzales	Lipton	Schuitmaker
Bledsoe	Green	Liss	Scott, B.
Bolger	Gregory	Lori	Scott, P.
Booher	Griffin	Lund	Scripps
Brown, L.	Haase	Marleau	Segal
Brown, T.	Haines	Mayer	Sheltrown
Byrnes	Hammel	McDowell	Slavens
Byrum	Hansen	McMillin	Slezak
Calley	Haug	Meadows	Smith
Caul	Haveman	Meekhof	Spade
Clemente	Hildenbrand	Melton	Stamas
Constan	Horn	Meltzer	Stanley
Corriveau	Huckleberry	Miller	Switalski
Crawford	Jackson	Moss	Tlaib
Cushingberry	Johnson	Nathan	Tyler
Daley	Jones, Rick	Nerat	Valentine
Dean	Jones, Robert	Neumann	Walsh
Denby	Kandrevas	Opsommer	Warren
DeShazor	Kennedy	Pavlov	Womack
Dillon	Knollenberg	Pearce	Young
Donigan	Kowall	Polidori	

Nays—0

In The Chair: Byrnes

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of the courts, and of the judges and other officers of the courts; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in the courts; pleading, evidence, practice, and procedure in civil and criminal actions and proceedings in the courts; to provide for the powers and duties of certain state governmental officers and entities; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts;”

The House agreed to the full title.

Rep. Angerer moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills**House Bill No. 6374, entitled**

A bill to amend 1980 PA 299, entitled “Occupational code,” by amending section 2009 (MCL 339.2009), as amended by 1988 PA 463.

The bill was read a second time.

Rep. Byrnes moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Angerer moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of
Third Reading of Bills

House Bill No. 6374, entitled

A bill to amend 1980 PA 299, entitled "Occupational code," by amending section 2009 (MCL 339.2009), as amended by 1988 PA 463.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 396

Yeas—96

Angerer	Ebli	Lahti	Rocca
Ball	Elsenheimer	LeBlanc	Rogers
Barnett	Espinoza	Leland	Schmidt, R.
Bauer	Geiss	Lemmons	Schmidt, W.
Bennett	Gonzales	Lindberg	Schuitmaker
Bledsoe	Green	Lipton	Scott, B.
Booher	Gregory	Liss	Scott, P.
Brown, L.	Griffin	Lori	Scripps
Brown, T.	Haase	Lund	Segal
Byrnes	Haines	Marleau	Sheltrown
Byrum	Hammel	Mayes	Slavens
Calley	Hansen	McDowell	Slezak
Caul	Haugh	Meadows	Smith
Clemente	Hildenbrand	Meekhof	Spade
Constan	Huckleberry	Melton	Stamas
Corriveau	Jackson	Miller	Stanley
Crawford	Johnson	Moss	Switalski
Cushingberry	Jones, Rick	Nathan	Tlaib
Dean	Jones, Robert	Nerat	Tyler
Denby	Kandrevas	Neumann	Valentine
DeShazor	Kennedy	Pearce	Walsh
Dillon	Knollenberg	Polidori	Warren
Donigan	Kowall	Proos	Womack
Durhal	Kurtz	Roberts	Young

Nays—11

Agema	Daley	Horn	Opsommer
Amash	Genetski	McMillin	Pavlov
Bolger	Haveman	Meltzer	

In The Chair: Byrnes

The House agreed to the title of the bill.
 Rep. Angerer moved that the bill be given immediate effect.
 The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of
Reports of Select Committees

Senate Bill No. 1152, entitled

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2011; to provide for the expenditure

of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 1152, entitled**

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

Recommends:

First: That the Senate and House agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of community health for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF COMMUNITY HEALTH

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	4,393.8	
Average population	893.0	
GROSS APPROPRIATION		\$ 14,124,179,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	54,020,800	
ADJUSTED GROSS APPROPRIATION		\$ 14,070,159,000
Federal revenues:		
Total other federal revenues	8,823,755,700	
Total federal revenues (ARRA).....	650,327,000	
Special revenue funds:		
Total local revenues.....	235,104,200	
Total private revenues.....	88,103,600	
Merit award trust fund.....	86,457,600	
Total other state restricted revenues	1,764,889,500	
State general fund/general purpose		\$ 2,421,521,400

Sec. 102. DEPARTMENTWIDE ADMINISTRATION

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	175.2	
Director and other unclassified—6.0 FTE positions		\$ 583,900
Departmental administration and management—165.2 FTE positions		22,421,800
Departmentwide health projects (ARRA).....		5,000,000
Worker’s compensation program		8,855,200

	For Fiscal Year Ending Sept. 30, 2011
Rent and building occupancy	10,862,500
Developmental disabilities council and projects—10.0 FTE positions	2,825,400
GROSS APPROPRIATION	\$ 50,548,800
Appropriated from:	
Federal revenues:	
Total other federal revenues	13,747,000
Federal revenues (ARRA)	5,000,000
Special revenue funds:	
Total private revenues	35,900
Total other state restricted revenues	2,507,400
State general fund/general purpose	\$ 29,258,500
Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS	
Full-time equated classified positions	107.5
Mental health/substance abuse program administration—106.5 FTE positions	\$ 13,669,800
Gambling addiction—1.0 FTE position	3,000,000
Protection and advocacy services support	194,400
Community residential and support services	1,893,500
Highway safety projects	400,000
Federal and other special projects	2,497,200
Family support subsidy	19,470,500
Housing and support services	9,306,800
GROSS APPROPRIATION	\$ 50,432,200
Federal revenues:	
Total federal revenues	35,287,800
Special revenue funds:	
Total private revenues	190,000
Total other state restricted revenues	3,000,000
State general fund/general purpose	\$ 11,954,400
Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS	
Full-time equated classified positions	9.5
Medicaid mental health services	\$ 2,019,515,600
Community mental health non-Medicaid services	282,275,100
Medicaid adult benefits waiver	41,386,000
Mental health services for special populations	6,873,800
Medicaid substance abuse services	41,174,800
CMHSP, purchase of state services contracts	127,730,800
Civil service charges	1,499,300
Federal mental health block grant—2.5 FTE positions	15,384,700
State disability assistance program substance abuse services	2,243,100
Community substance abuse prevention, education and treatment programs	83,515,200
Children’s waiver home care program	21,049,800
Nursing home PAS/ARR-OBRA—7.0 FTE positions	12,144,700
Children with serious emotional disturbance waiver	7,188,000
GROSS APPROPRIATION	\$ 2,661,980,900
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of human services	1,769,000
Federal revenues:	
Total other federal revenues	1,493,564,500
Federal FMAP stimulus (ARRA)	116,024,300
Special revenue funds:	
Total local revenues	25,228,900
Total other state restricted revenues	22,280,600
State general fund/general purpose	\$ 1,003,113,600

For Fiscal Year
Ending Sept. 30,
2011

Sec. 105. STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Total average population.....	893.0	
Full-time equated classified positions	2,590.5	
Caro Regional Mental Health Center - psychiatric hospital - adult—468.3 FTE positions.....		\$ 55,012,200
Average population.....	185.0	
Kalamazoo Psychiatric Hospital - adult—483.1 FTE positions.....		53,272,000
Average population.....	189.0	
Walter P. Reuther Psychiatric Hospital - adult—433.3 FTE positions.....		49,818,900
Average population.....	234.0	
Hawthorn Center - psychiatric hospital - children and adolescents—230.9 FTE positions.....		25,809,600
Average population.....	75.0	
Center for forensic psychiatry—578.6 FTE positions.....		64,206,000
Average population.....	210.0	
Forensic mental health services provided to the department of corrections—396.3 FTE positions.....		50,527,800
Revenue recapture		750,000
IDEA, federal special education.....		120,000
Special maintenance		332,500
Purchase of medical services for residents of hospitals and centers.....		445,600
Gifts and bequests for patient living and treatment environment		1,000,000
GROSS APPROPRIATION		\$ 301,294,600

Appropriated from:

Interdepartmental grant revenues:		
Interdepartmental grant from the department of corrections.....		50,527,800
Federal revenues:		
Total other federal revenues		28,582,800
Federal FMAP stimulus (ARRA).....		1,580,500
Special revenue funds:		
CMHSP, purchase of state services contracts.....		127,730,800
Other local revenues		16,824,700
Total private revenues.....		1,000,000
Total other state restricted revenues		15,655,900
State general fund/general purpose		\$ 59,392,100

Sec. 106. PUBLIC HEALTH ADMINISTRATION

Full-time equated classified positions	91.7	
Public health administration—7.3 FTE positions.....		\$ 1,475,800
Minority health grants and contracts—3.0 FTE positions		1,111,000
Promotion of healthy behaviors.....		975,900
Public health projects (ARRA).....		5,000,000
Vital records and health statistics—81.4 FTE positions		9,238,900
GROSS APPROPRIATION		\$ 17,801,600

Appropriated from:

Interdepartmental grant revenues:		
Interdepartmental grant from the department of human services.....		1,148,200
Federal revenues:		
Total other federal revenues		4,946,900
Federal revenues (ARRA)		5,000,000
Special revenue funds:		
Total private revenues.....		300,000
Total other state restricted revenues		5,232,500
State general fund/general purpose		\$ 1,174,000

Sec. 107. HEALTH POLICY, REGULATION, AND PROFESSIONS

Full-time equated classified positions	441.6	
Health systems administration—199.6 FTE positions		\$ 21,322,200

	FOR FISCAL YEAR ENDING SEPT. 30, 2011
Emergency medical services program state staff—8.5 FTE positions	1,308,300
Radiological health administration—21.4 FTE positions.....	3,060,800
Emergency medical services grants and services.....	660,000
Health professions—157.0 FTE positions.....	25,978,300
Background check program—5.5 FTE positions	2,705,400
Health policy and regulation—30.2 FTE positions	3,728,100
Nurse scholarship, education, and research program—3.0 FTE positions.....	1,727,800
Certificate of need program administration—14.0 FTE positions	2,008,400
Rural health services—1.0 FTE position	1,407,400
Michigan essential health provider.....	872,700
Primary care services—1.4 FTE positions	4,349,300
Primary care services (ARRA).....	5,000,000
GROSS APPROPRIATION	\$ 74,128,700
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of treasury, Michigan state hospital finance authority.....	116,300
Federal revenues:	
Total other federal revenues	26,298,800
Federal revenues (ARRA)	5,000,000
Special revenue funds:	
Total local revenues.....	100,000
Total private revenues.....	455,000
Total other state restricted revenues	31,772,400
State general fund/general purpose	\$ 10,386,200
Sec. 108. INFECTIOUS DISEASE CONTROL	
Full-time equated classified positions	50.7
AIDS prevention, testing, and care programs—12.7 FTE positions	\$ 54,441,000
Immunization local agreements.....	13,725,200
Immunization program management and field support—15.0 FTE positions.....	2,094,900
Pediatric AIDS prevention and control—1.0 FTE position.....	1,231,300
Sexually transmitted disease control local agreements	3,360,700
Sexually transmitted disease control management and field support—22.0 FTE positions	3,735,700
GROSS APPROPRIATION	\$ 78,588,800
Appropriated from:	
Federal revenues:	
Total other federal revenues	43,433,200
Special revenue funds:	
Total private revenues.....	22,707,700
Total other state restricted revenues	9,575,500
State general fund/general purpose	\$ 2,872,400
Sec. 109. LABORATORY SERVICES	
Full-time equated classified positions	109.0
Laboratory services—109.0 FTE positions	\$ 16,839,300
GROSS APPROPRIATION	\$ 16,839,300
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of natural resources and the environment	459,500
Federal revenues:	
Total federal revenues.....	\$ 1,818,100
Special revenue funds:	
Total other state restricted revenues	7,949,500
State general fund/general purpose	\$ 6,612,200
Sec. 110. EPIDEMIOLOGY	
Full-time equated classified positions	127.7
AIDS surveillance and prevention program	2,254,100

	For Fiscal Year Ending Sept. 30, 2011
Asthma prevention and control—2.6 FTE positions	857,100
Bioterrorism preparedness—68.6 FTE positions	49,169,900
Epidemiology administration—39.0 FTE positions	8,043,300
Lead abatement program—7.0 FTE positions	2,436,000
Newborn screening follow-up and treatment services—10.5 FTE positions	4,730,600
Tuberculosis control and prevention.....	867,000
GROSS APPROPRIATION	\$ 68,358,000
Appropriated from:	
Federal revenues:	
Total federal revenues.....	61,002,200
Special revenue funds:	
Total private revenues.....	25,000
Total other state restricted revenues	5,559,100
State general fund/general purpose	\$ 1,771,700
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS	
Essential local public health services.....	\$ 39,082,800
Implementation of 1993 PA 133, MCL 333.17015	20,000
Local health services	600,000
Medicaid outreach cost reimbursement to local health departments.....	9,000,000
GROSS APPROPRIATION	\$ 48,702,800
Appropriated from:	
Federal revenues:	
Total federal revenues.....	9,500,000
Special revenue funds:	
Total local revenues.....	5,150,000
Total other state restricted revenues	100,000
State general fund/general purpose	\$ 33,952,800
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION	
Full-time equated classified positions	75.5
Alzheimer's information network.....	\$ 99,500
Cancer prevention and control program—12.0 FTE positions	14,555,100
Chronic disease control and health promotion administration—33.4 FTE positions.....	6,664,800
Diabetes and kidney program—12.2 FTE positions.....	2,570,100
Injury control intervention project	200,000
Public health traffic safety coordination—1.0 FTE position.....	287,500
Smoking prevention program—14.0 FTE positions	4,643,600
Violence prevention—2.9 FTE positions.....	1,676,700
GROSS APPROPRIATION	\$ 30,697,300
Appropriated from:	
Federal revenues:	
Total federal revenues.....	23,014,000
Special revenue funds:	
Total private revenues.....	61,600
Total other state restricted revenues	5,804,900
State general fund/general purpose	\$ 1,816,800
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES	
Full-time equated classified positions	53.6
Childhood lead program—6.0 FTE positions.....	\$ 1,593,500
Dental programs—3.0 FTE positions	992,600
Dental program for persons with developmental disabilities	151,000
Early childhood collaborative secondary prevention.....	100
Family, maternal, and children's health services administration—43.6 FTE positions	5,851,600
Family planning local agreements.....	9,085,700

	For Fiscal Year Ending Sept. 30, 2011
Local MCH services.....	7,018,100
Pregnancy prevention program.....	1,707,300
Prenatal care outreach and service delivery support.....	50,100
School health and education programs—1.0 FTE position.....	405,500
Special projects.....	4,665,200
Sudden infant death syndrome program.....	321,300
GROSS APPROPRIATION.....	\$ 31,842,000
Appropriated from:	
Federal revenues:	
Total federal revenues.....	26,533,600
Special revenue funds:	
Total local revenues.....	75,000
Total other state restricted revenues.....	1,505,200
State general fund/general purpose.....	\$ 3,728,200
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM	
Full-time equated classified positions.....	45.0
Women, infants, and children program administration and special projects—45.0 FTE positions.....	\$ 13,597,400
Women, infants, and children program local agreements and food costs.....	253,825,500
GROSS APPROPRIATION.....	\$ 267,422,900
Appropriated from:	
Federal revenues:	
Total federal revenues.....	208,812,700
Special revenue funds:	
Total private revenues.....	58,610,200
State general fund/general purpose.....	\$ 0
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES (CSHCS)	
Full-time equated classified positions.....	47.8
Children's special health care services administration—45.0 FTE positions.....	\$ 5,081,000
Bequests for care and services—2.8 FTE positions.....	1,511,400
Outreach and advocacy.....	3,773,500
Nonemergency medical transportation.....	2,679,300
Medical care and treatment.....	241,368,200
GROSS APPROPRIATION.....	\$ 254,413,400
Appropriated from:	
Federal revenues:	
Total other federal revenues.....	142,332,700
Federal FMAP stimulus (ARRA).....	9,686,700
Special revenue funds:	
Total private revenues.....	996,800
Total other state restricted revenues.....	3,839,600
State general fund/general purpose.....	\$ 97,557,600
Sec. 116. CRIME VICTIM SERVICES COMMISSION	
Full-time equated classified positions.....	11.0
Grants administration services—11.0 FTE positions.....	\$ 1,539,800
Justice assistance grants.....	13,000,000
Crime victim rights services grants.....	12,500,000
GROSS APPROPRIATION.....	\$ 27,039,800
Appropriated from:	
Federal revenues:	
Total federal revenues.....	16,563,700
Special revenue funds:	
Total other state restricted revenues.....	10,476,100
State general fund/general purpose.....	\$ 0

For Fiscal Year
Ending Sept. 30,
2011

Sec. 117. OFFICE OF SERVICES TO THE AGING

Full-time equated classified positions	43.5	
Office of services to aging administration—43.5 FTE positions		\$ 7,073,600
Community services		34,269,400
Nutrition services		35,360,200
Foster grandparent volunteer program.....		2,233,600
Retired and senior volunteer program.....		627,300
Senior companion volunteer program		1,604,400
Employment assistance.....		3,792,500
Respite care program.....		5,868,700
GROSS APPROPRIATION		\$ 90,829,700
Appropriated from:		
Federal revenues:		
Total federal revenues.....		56,707,800
Special revenue funds:		
Total private revenues.....		607,500
Merit award trust fund.....		4,468,700
Total other state restricted revenues		1,400,000
State general fund/general purpose		\$ 27,645,700

Sec. 118. MEDICAL SERVICES ADMINISTRATION

Full-time equated classified positions	414.0	
Medical services administration—414.0 FTE positions		\$ 65,703,000
Facility inspection contract		132,800
MIChild administration		4,327,800
State health information exchange (ARRA).....		8,000,000
GROSS APPROPRIATION		\$ 78,163,600
Appropriated from:		
Federal revenues:		
Total other federal revenues		48,151,600
Federal revenues (ARRA)		8,000,000
Total local revenues.....		105,900
Total private revenues.....		100,000
Total other state restricted revenues		105,300
State general fund/general purpose		\$ 21,700,800

Sec. 119. MEDICAL SERVICES

Hospital services and therapy.....	\$ 1,308,254,500
Hospital disproportionate share payments.....	52,500,000
Physician services.....	301,252,900
Medicare premium payments	399,490,400
Pharmaceutical services.....	401,414,600
Home health services.....	6,109,200
Hospice services	115,000,000
Transportation.....	15,481,300
Auxiliary medical services	5,487,500
Dental services	145,313,300
Ambulance services.....	11,335,700
Long-term care services	1,687,362,700
Medicaid home- and community-based services waiver	183,723,300
Adult home help services	304,928,900
Personal care services.....	24,409,600
Program of all-inclusive care for the elderly	23,600,000
Health plan services	4,028,012,700
MIChild program.....	52,709,100
Plan first family planning waiver	11,269,900

	For Fiscal Year Ending Sept. 30, 2011
Medicaid adult benefits waiver.....	124,208,300
Special indigent care payments.....	88,518,500
Federal Medicare pharmaceutical program.....	152,119,200
Promotion of healthy behavior waiver.....	10,000,000
Maternal and child health.....	20,279,500
Subtotal basic medical services program.....	9,472,781,100
School-based services.....	91,296,500
Special Medicaid reimbursement.....	359,191,500
Subtotal special medical services payments.....	450,488,000
GROSS APPROPRIATION.....	\$ 9,923,269,100
Appropriated from:	
Federal revenues:	
Total other federal revenues.....	6,547,019,700
Federal FMAP stimulus (ARRA).....	500,035,500
Special revenue funds:	
Total local revenues.....	59,888,900
Total private revenues.....	3,013,900
Merit award trust fund.....	81,988,900
Total other state restricted revenues.....	1,634,933,200
State general fund/general purpose.....	\$ 1,096,389,000
Sec. 120. INFORMATION TECHNOLOGY	
Information technology services and projects.....	\$ 35,025,200
Michigan Medicaid information system.....	16,801,100
GROSS APPROPRIATION.....	\$ 51,826,300
Appropriated from:	
Federal revenues:	
Total federal revenues.....	36,438,600
Special revenue funds:	
Total other state restricted revenues.....	3,192,300
State general fund/general purpose.....	\$ 12,195,400

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$4,272,868,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$1,259,130,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF COMMUNITY HEALTH

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION
AND SPECIAL PROJECTS

Community residential and support services.....	\$ 286,400
Housing and support services.....	599,800
COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS	
State disability assistance program substance abuse services.....	\$ 2,243,100
Community substance abuse prevention, education, and treatment programs.....	14,292,500
Medicaid mental health services.....	555,428,800
Community mental health non-Medicaid services.....	282,275,100
Medicaid adult benefits waiver.....	11,845,800
Mental health services for special populations.....	6,873,800
Medicaid substance abuse services.....	11,829,500
Children's waiver home care program.....	5,622,000
Nursing home PASARR.....	2,702,400
PUBLIC HEALTH ADMINISTRATION	
Minority health grants and contracts.....	\$ 190,000
HEALTH POLICY, REGULATION, AND PROFESSIONS	
Primary care services.....	\$ 88,900

INFECTIOUS DISEASE CONTROL	
AIDS prevention, testing, and care programs	\$ 1,000,000
Immunization local agreements.....	1,750,000
Sexually transmitted disease control local agreements	235,200
LABORATORY SERVICES	
Laboratory services	\$ 13,700
LOCAL HEALTH ADMINISTRATION AND GRANTS	
Implementation of 1993 PA 133, MCL 333.17015.....	\$ 8,000
Essential local public health services.....	33,932,800
CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION	
Cancer prevention and control program	\$ 450,000
Chronic disease control and health promotion administration	261,600
Diabetes and kidney program.....	54,500
Smoking prevention program	800,000
FAMILY, MATERNAL, AND CHILDREN’S HEALTH SERVICES	
Childhood lead program.....	\$ 51,100
Pregnancy prevention program.....	90,000
School health education programs.....	250,000
CHILDREN’S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	\$ 895,700
Outreach and advocacy.....	1,237,500
MEDICAL SERVICES	
Dental services	\$ 2,005,600
Long-term care services	269,214,200
Transportation.....	2,572,700
Medicaid adult benefits waiver.....	6,186,600
Hospital services and therapy.....	5,316,800
Physician services.....	4,251,500
OFFICE OF SERVICES TO THE AGING	
Community services	\$ 12,233,500
Nutrition services	8,787,000
Foster grandparent volunteer program.....	679,800
Retired and senior volunteer program.....	175,000
Senior companion volunteer program	215,000
Respite care program.....	5,384,800
CRIME VICTIM SERVICES COMMISSION	
Crime victim rights services grants.....	\$ 6,800,000
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,259,130,700

Sec. 202. (1) The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds for which the state is acting as the custodian or agent are not subject to annual appropriation.

Sec. 203. As used in this act:

- (a) “AIDS” means acquired immunodeficiency syndrome.
- (b) “ARRA” means the American recovery and reinvestment act of 2009, Public Law 111-5.
- (c) “CMHSP” means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (d) “Current fiscal year” means the fiscal year ending September 30, 2011.
- (e) “Department” means the Michigan department of community health.
- (f) “Director” means the director of the department.
- (g) “DSH” means disproportionate share hospital.
- (h) “EPSDT” means early and periodic screening, diagnosis, and treatment.
- (i) “Federal poverty level” means the poverty guidelines published annually in the federal register by the United States department of health and human services under its authority to revise the poverty line under 42 USC 9902.
- (j) “FMAP” means federal medical assistance percentages.
- (k) “FTE” means full-time equated.
- (l) “GME” means graduate medical education.
- (m) “Health plan” means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department’s comprehensive health plan.

- (n) "HIV/AIDS" means human immunodeficiency virus/acquired immune deficiency syndrome.
- (o) "HMO" means health maintenance organization.
- (p) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (q) "IDG" means interdepartmental grant.
- (r) "MCH" means maternal and child health.
- (s) "MIChild" means the program described in section 1670.
- (t) "MIHP" means the maternal infant health program.
- (u) "PASARR" means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, and 42 USC 1396r.
- (v) "PIHP" means a specialty prepaid inpatient health plan for Medicaid mental health services, services to persons with developmental disabilities, and substance abuse services as described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
- (w) "Title XVIII" and "Medicare" mean title XVIII of the social security act, 42 USC 1395 to 1395iii.
- (x) "Title XIX" and "Medicaid" mean title XIX of the social security act, 42 USC 1396 to 1396w-2.
- (y) "Title XX" means title XX of the social security act, 42 USC 1397 to 1397f.
- (z) "WIC program" means the women, infants, and children supplemental nutrition program.

Sec. 204. The civil service commission shall bill the department at the end of the first fiscal quarter for the charges authorized by section 5 of article XI of the state constitution of 1963. The department shall pay the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will render a state department or agency unable to deliver basic services, will cause loss of revenue to the state, will result in the inability of the state to receive federal funds, or will necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report annually to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 208. The department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on the Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

(2) The department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the balance of each of the restricted funds administered by the department as of September 30 of the current fiscal year.

Sec. 212. (1) On or before February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 of this act.

(2) Upon the release of the next fiscal year executive budget recommendation, the department shall report to the same parties in subsection (1) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the next fiscal year executive budget proposal.

Sec. 213. The state departments, agencies, and commissions receiving tobacco tax funds and healthy Michigan funds from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

(a) Detailed spending plan by appropriation line item including description of programs and a summary of organizations receiving these funds.

(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.

(c) Eligibility criteria for program participation and maximum benefit levels where applicable.

(d) Outcome measures used to evaluate programs, including measures of the effectiveness of these programs in improving the health of Michigan residents.

(e) Any other information considered necessary by the house of representatives or senate appropriations committees or the state budget director.

Sec. 214. The use of state restricted tobacco tax revenue received for the purpose of tobacco prevention, education, and reduction efforts and deposited in the healthy Michigan fund shall not be used for lobbying as defined in section 5 of 1978 PA 472, MCL 4.415, and shall not be used in attempting to influence the decisions of the legislature, the governor, or any state agency.

Sec. 215. (1) The department shall report to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies by no later than April 1 of the current fiscal year on each specific policy change made by the department to implement a public act affecting that department that took effect during the preceding calendar year.

(2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(3) As used in this section:

(a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

(b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Sec. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation deductions in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

(3) The department shall report by March 15 of the current fiscal year to the house of representatives and senate appropriations subcommittees on community health on all reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 218. The department shall include the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.

- (g) Community health annex of the Michigan emergency management plan.
- (h) Prenatal care.

Sec. 219. (1) The department may contract with the Michigan public health institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before November 1 and May 1 of the current fiscal year all of the following:

- (a) A detailed description of each funded project.
- (b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.
- (c) The expected project duration.
- (d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(2) On or before September 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan public health institute, its sub-contractors, or the department with the funds appropriated in part 1 and allocated to the Michigan public health institute.

Sec. 220. All contracts with the Michigan public health institute funded with appropriations in part 1 shall include a requirement that the Michigan public health institute submit to financial and performance audits by the state auditor general of projects funded with state appropriations.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 259. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of technology, management, and budget for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the department and the department of technology, management, and budget.

Sec. 264. (1) Upon submission of a Medicaid waiver, a Medicaid state plan amendment, or a similar proposal to the centers for Medicare and Medicaid services, the department shall notify the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies of the submission.

(2) The department shall provide written or verbal biannually reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies summarizing the status of any new or ongoing discussions with the centers for Medicare and Medicaid services or the federal department of health and human services regarding potential or future Medicaid waiver applications.

Sec. 265. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.

Sec. 266. (1) Due to the current budgetary problems in this state, out-of-state travel shall be limited to situations in which 1 or more of the following conditions apply:

- (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
- (d) The travel is necessary to comply with federal requirements.
- (e) The travel is necessary to secure specialized training for staff that is not available within this state.
- (f) The travel is financed entirely by federal or nonstate funds.

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

- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.

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

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

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

Sec. 267. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 270. Within 180 days after receipt of the notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106, or any other statute under which the department has the right to recover expenses, the department shall submit a written report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office which includes, at a minimum, all of the following:

(a) The total amount recovered from the legal action.

(b) The program or service for which the money was originally expended.

(c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.

(d) A description of the facts involved in the legal action.

Sec. 271. (1) The department, in cooperation with a PIHP, a Medicaid HMO, or a federally qualified health center shall establish and implement an early mental health services intervention pilot project. This project shall provide care coordination, disease management, and pharmacy management to eligible recipients suffering from chronic disease, including, but not limited to, diabetes, asthma, substance addiction, or stroke. Participating organizations may make use of data sharing, joint information technology efforts, and financial incentives to health providers and recipients in this project. The department shall encourage that each CMHSP and Medicaid health plan act in a coordinated manner in the establishment of their respective electronic medical record systems.

(2) The pilot project shall make use of preestablished objectives and outcome measures to determine the cost effectiveness of the project. Participating organizations shall collect data to study and monitor the correlation between early mental health treatment services to program participants and improvement in the management of their chronic disease.

(3) The department shall request any necessary Medicaid state plan amendments or waivers to ensure participation in this project by eligible Medicaid recipients.

(4) A progress report on the pilot project shall be provided to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director no later than May 1 of the current fiscal year.

Sec. 276. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 282. (1) The department, through its organizational units responsible for departmental administration, operation, and finance, shall establish uniform definitions, standards, and instructions for the classification, allocation, assignment, calculation, recording, and reporting of administrative costs by the following entities:

(a) Coordinating agencies on substance abuse and the Salvation Army harbor light program that receive payment or reimbursement from funds appropriated under section 104.

(b) Area agencies on aging and local providers that receive payment or reimbursement from funds appropriated under section 117.

(2) By May 15 of the current fiscal year, the department shall provide a written draft of its proposed definitions, standards, and instructions to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Sec. 285. (1) By July 1 of the current fiscal year, the department shall expand its current prescription drug website to provide all of the following information:

(a) The 150 most commonly prescribed brand-name drug products under the Medicaid program and, if available, their generic equivalents.

(b) The most commonly prescribed brand-name drug products used for the treatment of all major illnesses and diseases, if not already included under subdivision (a), and, if available, their generic equivalents.

(c) The usual and customary price of each brand-name and generic prescription drug listed.

(d) The dosage, including the number of doses and dosage strength, on which the price is based.

(e) Names and addresses for the pharmacies associated with the listed prescription drugs.

(f) A minimum of 5 links to other useful websites that can provide assistance to consumers.

(g) The department's toll-free telephone number that residents of this state may call to determine which prescription drug programs they may be eligible for, including free and discounted prescription drug programs.

(h) An advisory statement alerting consumers of the need to tell their health professionals and pharmacists about all the medications they are taking so that they know how to avoid harmful interactions between medications.

(i) An advisory statement alerting consumers that the price posted for a listed drug product is only for the strength and quantity posted.

(j) A date stamp indicating the most recent date the usual and customary price of each brand-name and generic prescription drug listed was updated.

(k) A notation indicating a prescription drug price was corrected.

(2) The department shall provide a progress report on these efforts to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by May 1 of the current fiscal year.

Sec. 287. Not later than December 1, 2010, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the fiscal agencies.

Sec. 292. (1) On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification to the senate and house of representatives standing committees on appropriations subcommittees on community health and the senate and house fiscal agencies.

(2) From the funds appropriated in part 1, the department shall develop, post, and maintain on a user-friendly and publicly accessible Internet website all expenditures made by the department within a fiscal year. The posting must include the purpose for which each expenditure is made. Funds appropriated in part 1 from the ARRA shall also be included on a publicly accessible website maintained by the Michigan economic recovery office. The department shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that section.

Sec. 293. The department shall not expend more than \$10,000.00 from the appropriations in part 1 to implement the requirements of section 292(2).

DEPARTMENTWIDE ADMINISTRATION

Sec. 301. From funds appropriated for worker's compensation, the department may make payments in lieu of worker's compensation payments for wage and salary and related fringe benefits for employees who return to work under limited duty assignments.

Sec. 303. The department shall not require first-party payment from individuals or families with a taxable income of \$10,000.00 or less for mental health services for determinations made under section 818 of the mental health code, 1974 PA 258, MCL 330.1818.

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Sec. 350. The department may enter into a contract with the protection and advocacy agency, authorized under section 931 of the mental health code, 1974 PA 258, MCL 330.1931, or a similar organization to provide legal services for purposes of gaining and maintaining occupancy in a community living arrangement that is under lease or contract with the department or a community mental health services program to provide services to persons with mental illness or developmental disability.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Sec. 401. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs. The department shall ensure that each CMHSP or PIHP provides all of the following:

(a) A system of single entry and single exit.

(b) A complete array of mental health services that includes, but is not limited to, all of the following services: residential and other individualized living arrangements, outpatient services, acute inpatient services, and long-term, 24-hour inpatient care in a structured, secure environment.

(c) The coordination of inpatient and outpatient hospital services through agreements with state-operated psychiatric hospitals, units, and centers in facilities owned or leased by the state, and privately-owned hospitals, units, and centers licensed by the state pursuant to sections 134 through 149b of the mental health code, 1974 PA 258, MCL 330.1134 to 330.1149b.

(d) Individualized plans of service that are sufficient to meet the needs of individuals, including those discharged from psychiatric hospitals or centers, and that ensure the full range of recipient needs is addressed through the CMHSP's or PIHP's program or through assistance with locating and obtaining services to meet these needs.

(e) A system of case management or care management to monitor and ensure the provision of services consistent with the individualized plan of services or supports.

(f) A system of continuous quality improvement.

(g) A system to monitor and evaluate the mental health services provided.

(h) A system that serves at-risk and delinquent youth as required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106.

Sec. 402. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

- (a) Any new contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.
- (b) Any amendments to contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.

(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 403. (1) From the funds appropriated in part 1 for mental health services for special populations, the department shall ensure that CMHSPs or PIHPs meet with multicultural service providers to develop a workable framework for contracting, service delivery, and reimbursement.

(2) Funds appropriated in part 1 for mental health services for special populations shall not be utilized for services provided to illegal immigrants, fugitive felons, and people who are not residents of this state. The department shall maintain contracts with recipients of multicultural services grants that mandate grantees establish that recipients of services are legally residing in the United States. An exception to the contractual provision will be allowed to address persons presenting with emergent mental health conditions.

(3) The department shall require an annual report from the independent organizations that receive mental health services for special populations funding. The annual report shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies.

Sec. 404. (1) Not later than May 31 of the current fiscal year, the department shall provide a report on the community mental health services programs to the members of the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP or PIHP and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures by client population group.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by client group and fund source; and cost information by service category, including administration. Service category includes all department-approved services.

(d) Data describing service outcomes that includes, but is not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to community mental health services programs that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the code and the determination of any appeals.

(g) An analysis of information provided by CMHSPs in response to the needs assessment requirements of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, including information about the number of persons in the service delivery system who have requested and are clinically appropriate for different services.

(h) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs or PIHPs.

(i) Information about contracts for mental health services entered into by CMHSPs or PIHPs with providers, including, but not limited to, all of the following:

(i) The amount of the contract, organized by type of service provided.

(ii) Payment rates, organized by the type of service provided.

(iii) Administrative costs for services provided to CMHSPs or PIHPs.

(j) Information on the community mental health Medicaid managed care program, including, but not limited to, both of the following:

(i) Expenditures by each CMHSP or PIHP organized by Medicaid eligibility group, including per eligible individual expenditure averages.

(ii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs or PIHPs.

(k) An estimate of the number of direct care workers in local residential settings and paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided by CMHSPs or PIHPs as of September 30 of the prior fiscal year employed directly or through contracts with provider organizations.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP or PIHP.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs or PIHPs.

Sec. 405. (1) It is the intent of the legislature that the employee wage pass-through funded in previous years to the community mental health services programs for direct care workers in local residential settings and for paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided shall continue to be paid to direct care workers.

(2) Each CMHSP awarded wage pass-through money from the funds established under subsection (1) shall report on the actual expenditures of the money in the format determined by the department.

Sec. 406. (1) The funds appropriated in part 1 for the state disability assistance substance abuse services program shall be used to support per diem room and board payments in substance abuse residential facilities. Eligibility of clients for the state disability assistance substance abuse services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance abuse treatment center.

(2) The department shall reimburse all licensed substance abuse programs eligible to participate in the program at a rate equivalent to that paid by the department of human services to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 407. (1) The amount appropriated in part 1 for substance abuse prevention, education, and treatment grants shall be expended for contracting with coordinating agencies. Coordinating agencies shall work with CMHSPs or PIHPs to coordinate care and services provided to individuals with severe and persistent mental illness and substance abuse diagnoses.

(2) The department shall approve coordinating agency fee schedules for providing substance abuse services and charge participants in accordance with their ability to pay.

(3) It is the intent of the legislature that the coordinating agencies continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance abuse diagnoses.

(4) Coordinating agencies that are located completely within the boundary of a PIHP shall conduct a study of the administrative costs and efficiencies associated with consolidation with that PIHP. If that coordinating agency realizes an administrative cost savings of 5% or greater of their current costs, then that coordinating agency shall initiate discussions regarding a potential merger in accordance with section 6226 of the public health code, 1978 PA 368, MCL 333.6226. The department shall report to the legislature by April 1 of the current fiscal year on any such discussions.

Sec. 408. (1) By April 1 of the current fiscal year, the department shall report the following data from the prior fiscal year on substance abuse prevention, education, and treatment programs to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget office:

(a) Expenditures stratified by coordinating agency, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by coordinating agency shall be reported.

(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by coordinating agency, by subcontractor, by population served, and by service type.

(2) The department shall take all reasonable actions to ensure that the required data reported are complete and consistent among all coordinating agencies.

Sec. 409. The funding in part 1 for substance abuse services shall be distributed in a manner that provides priority to service providers that furnish child care services to clients with children.

Sec. 410. The department shall assure that substance abuse treatment is provided to applicants and recipients of public assistance through the department of human services who are required to obtain substance abuse treatment as a condition of eligibility for public assistance.

Sec. 411. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of persons with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 412. The department shall contract directly with the Salvation Army harbor light program to provide non-Medicaid substance abuse services.

Sec. 414. Medicaid substance abuse treatment services shall be managed by PIHPs pursuant to the centers for Medicare and Medicaid services' approval of Michigan's 1915(b) waiver request submitted under 42 USC 1396n to implement a managed care plan for specialized substance abuse services. The PIHPs shall receive a capitated payment on a per eligible per month basis to assure provision of medically necessary substance abuse services to all beneficiaries who require those services. The PIHPs shall be responsible for the reimbursement of claims for specialized substance abuse services. The PIHPs that are not coordinating agencies may continue to contract with a coordinating agency. Any alternative arrangement must be based on client service needs and have prior approval from the department.

Sec. 418. On or before the tenth of each month, the department shall report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 424. Each PIHP that contracts with the department to provide services to the Medicaid population shall adhere to the following timely claims processing and payment procedure for claims submitted by health professionals and facilities:

(a) A "clean claim" as described in section 111i of the social welfare act, 1939 PA 280, MCL 400.111i, shall be paid within 45 days after receipt of the claim by the PIHP. A clean claim that is not paid within this time frame shall bear simple interest at a rate of 12% per annum.

(b) A PIHP must state in writing to the health professional or facility any defect in the claim within 30 days after receipt of the claim.

(c) A health professional and a health facility have 30 days after receipt of a notice that a claim or a portion of a claim is defective within which to correct the defect. The PIHP shall pay the claim within 30 days after the defect is corrected.

Sec. 428. Each PIHP shall provide, from internal resources, local funds to be used as a bona fide part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

Sec. 435. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 442. (1) It is the intent of the legislature that the \$41,386,000.00 in funding transferred from the community mental health non-Medicaid services line to support the Medicaid adult benefits waiver program shall be used to provide state match for increases in federal funding for primary care and specialty services provided to Medicaid adult benefits waiver enrollees and for economic increases for the Medicaid specialty services and supports program.

(2) The department shall assure that persons enrolled in the Medicaid adult benefits waiver program shall receive mental health services as approved in the state plan amendment.

(3) Capitation payments to CMHSPs for persons who become enrolled in the Medicaid adult benefits waiver program shall be made using the same rate methodology as payments for the current Medicaid beneficiaries.

(4) If enrollment in the Medicaid adult benefits waiver program does not achieve expectations and the funding appropriated for the Medicaid adult benefits waiver program for specialty services is not expended, the general fund balance shall be transferred back to the community mental health non-Medicaid services line. The department shall report quarterly to the senate and house appropriations subcommittees on community health a summary of eligible expenditures for the Medicaid adult benefits waiver program by CMHSPs.

Sec. 452. Unless otherwise authorized by law, the department shall not implement retroactively any policy that would lead to a negative financial impact on CMHSPs or PIHPs.

Sec. 456. (1) CMHSPs and PIHPs shall honor consumer choice to the fullest extent possible when providing services and support programs for individuals with mental illness, developmental disabilities, or substance abuse issues. Consumer choices shall include skill-building assistance, rehabilitative and habilitative services, supported and integrated

employment services program settings, and other work preparatory services provided in the community or by accredited community-based rehabilitation organizations. CMHSPs and PIHPs shall not restrict any choices from the array of services and program settings available to consumers without reasonable justification that those services are not in the consumer's best interest.

(2) CMHSPs and PIHPs shall take all necessary steps to ensure that individuals with mental illness, developmental disabilities, or substance abuse issues be placed in the most integrated setting in the quickest amount of time possible if the individual, after being fully informed, chooses freely, and through a person-centered process.

Sec. 458. By April 15 of the current fiscal year, the department shall provide each of the following to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director:

(a) An updated plan for implementing each of the recommendations of the Michigan mental health commission made in the commission's report dated October 15, 2004.

(b) A report that evaluates the cost-benefit of establishing secure residential facilities of fewer than 17 beds for adults with serious mental illness, modeled after such programming in Oregon or other states. This report shall examine the potential impact that utilization of secure residential facilities would have upon the state's need for adult mental health facilities.

(c) In conjunction with the state court administrator's office, a report that evaluates the cost-benefit of establishing a specialized mental health court program that diverts adults with serious mental illness alleged to have committed an offense deemed nonserious into treatment prior to the filing of any charges.

Sec. 462. (1) With the exception of administrative costs, the department shall continue to utilize the funding formula for all CMHSPs that receive funds appropriated under the community mental health non-Medicaid services line utilized in fiscal year 2009-2010.

(2) The department shall convene a workgroup including CMHSPs regarding the allocation of the current fiscal year administrative reduction of \$3,797,900.00.

Sec. 463. The department shall use standard program evaluation measures to assess the overall effectiveness of programs provided through coordinating agencies and service providers in reducing and preventing the incidence of substance abuse. The measures established by the department shall be modeled after the program outcome measures and best practice guidelines for the treatment of substance abuse as proposed by the federal substance abuse and mental health services administration.

Sec. 468. To foster a more efficient administration of and to integrate care in publicly funded mental health and substance abuse services, the department shall maintain criteria for the incorporation of a city, county, or regional substance abuse coordinating agency into a local community mental health authority that will encourage those city, county, or regional coordinating agencies to incorporate as local community mental health authorities. If necessary, the department may make accommodations or adjustments in formula distribution to address administrative costs related to the maintenance of the criteria under this section and to the incorporation of the additional coordinating agencies into local community mental health authorities provided that all of the following are satisfied:

(a) The department provides funding for the administrative costs incurred by coordinating agencies incorporating into community mental health authorities. The department shall not provide more than \$75,000.00 to any coordinating agency for administrative costs.

(b) The accommodations or adjustments favor coordinating agencies who voluntarily elect to integrate with local community mental health authorities.

(c) The accommodations or adjustments do not negatively affect other coordinating agencies.

Sec. 470. (1) For those substance abuse coordinating agencies that have voluntarily incorporated into community mental health authorities and accepted funding from the department for administrative costs incurred pursuant to section 468, the department shall establish written expectations for those CMHSPs, PIHPs, and substance abuse coordinating agencies and counties with respect to the integration of mental health and substance abuse services. At a minimum, the written expectations shall provide for the integration of those services as follows:

(a) Coordination and consolidation of administrative functions and redirection of efficiencies into service enhancements.

(b) Consolidation of points of 24-hour access for mental health and substance abuse services in every community.

(c) Alignment of coordinating agencies and PIHPs boundaries to maximize opportunities for collaboration and integration of administrative functions and clinical activities.

(2) By May 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office on the impact and effectiveness of this section and the status of the integration of mental health and substance abuse services.

Sec. 474. The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to provide each recipient and his or her family with information regarding the different types of guardianship and the

alternatives to guardianship. A CMHSP or PIHP shall not, in any manner, attempt to reduce or restrict the ability of a recipient or his or her family from seeking to obtain any form of legal guardianship without just cause.

Sec. 480. The department shall provide to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by March 30 of the current fiscal year a report on the number and reimbursement cost of atypical antipsychotic prescriptions by each PIHP for Medicaid beneficiaries.

Sec. 482. From the funds appropriated in part 1, the department shall continue funding for programs provided by Odyssey house.

Sec. 489. The department shall work with the Michigan association of community mental health boards and individual CMHSPs in an effort to mitigate necessary reductions to the community mental health non-Medicaid services line by seeking alternative funding sources.

Sec. 490. (1) The department shall establish a workgroup to develop a plan to maximize uniformity and consistency in the standards required of providers contracting directly with PIHPs, CMHSPs, and substance abuse coordinating agencies. These standards shall apply to community living supports, personal care services, substance abuse services, skill building services, and other similar supports and services providers who contract with PIHPs, CMHSPs, and substance abuse coordinating agencies or their contractors.

(2) The workgroup shall include representatives of the department, PIHPs, CMHSPs, substance abuse coordinating agencies, and affected providers. The standards shall include, but are not limited to, contract language, training requirements for direct support staff, performance indicators, financial and program audits, and billing procedures.

(3) The department shall provide a status report on the workgroup's efforts to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director by June 1 of the current fiscal year.

Sec. 491. The department shall explore changes in program policy in the habilitation supports waiver for persons with developmental disabilities that would permit the movement of a slot that has become available to a county that has demonstrated a greater need for the services.

Sec. 492. If a CMHSP has entered into an agreement with a county or county sheriff to provide mental health services to the inmates of the county jail, the department shall not prohibit the use of state general fund/general purpose dollars by CMHSPs to provide mental health services to inmates of a county jail.

Sec. 493. From the funds appropriated in part 1, \$1,000,000.00 shall be allocated to enhance the community health outreach program provided by self-help addiction rehabilitation.

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Sec. 601. (1) In funding of staff in the financial support division, reimbursement, and billing and collection sections, priority shall be given to obtaining third-party payments for services. Collection from individual recipients of services and their families shall be handled in a sensitive and nonharassing manner.

(2) The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. Revenues collected through project efforts shall be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 602. Unexpended and unencumbered amounts and accompanying expenditure authorizations up to \$1,000,000.00 remaining on September 30 of the current fiscal year from the amounts appropriated in part 1 for gifts and bequests for patient living and treatment environments shall be carried forward for 1 fiscal year. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 603. (1) The funds appropriated in part 1 for forensic mental health services provided to the department of corrections are in accordance with the interdepartmental plan developed in cooperation with the department of corrections. The department is authorized to receive and expend funds from the department of corrections in addition to the appropriations in part 1 to fulfill the obligations outlined in the interdepartmental agreements.

(2) By February 15 of the current fiscal year, the department shall provide a copy of the interdepartmental plan developed with the department of corrections to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies. The department shall work with the department of corrections to ensure that this interdepartmental agreement is updated every 3 years and that forensic mental health services provided to the department of corrections meet the standard of care for the provision of mental health services.

Sec. 604. (1) The CMHSPs or PIHPs shall provide annual reports to the department on the following information:

(a) The number of days of care purchased from state hospitals and centers.

(b) The number of days of care purchased from private hospitals in lieu of purchasing days of care from state hospitals and centers.

(c) The number and type of alternative placements to state hospitals and centers other than private hospitals.

(d) Waiting lists for placements in state hospitals and centers.

(2) The department shall annually report the information in subsection (1) to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Sec. 605. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those persons currently in those facilities and a plan for service provision for those persons who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each person currently in the facility. A discharge and aftercare plan shall address the person's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the person's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on community health and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for persons previously served by the operations.

Sec. 606. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 608. Effective October 1, 2010, the department, in consultation with the department of technology, management, and budget, shall establish and implement a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating a minimum of 7.5% savings through the outsourcing of such services.

Sec. 609. The department shall continue to ban the use of all tobacco products in and on the grounds of state psychiatric facilities. As used in this section, "tobacco product" means a product that contains tobacco and is intended for human consumption, including, but not limited to, cigarettes, noncigarette smoking tobacco, or smokeless tobacco, as those terms are defined in section 2 of the tobacco products tax act, 1993 PA 327, MCL 205.422, and cigars.

PUBLIC HEALTH ADMINISTRATION

Sec. 650. The department shall communicate the annual public health consumption advisory for sportfish. The department shall, at a minimum, post the advisory on the Internet and make the information in the advisory available to the clients of the women, infants, and children special supplemental nutrition program.

Sec. 653. The department shall develop plans to address potential state public health emergencies.

HEALTH POLICY, REGULATION, AND PROFESSIONS

Sec. 704. The department shall continue to contract with grantees supported through the appropriation in part 1 for the emergency medical services grants and contracts to ensure that a sufficient number of qualified emergency medical services personnel exist to serve rural areas of the state.

Sec. 706. When hiring any new nursing home inspectors funded through appropriations in part 1, the department shall make every effort to hire qualified individuals with past experience in the long-term care industry.

Sec. 707. The funds appropriated in part 1 for the nursing scholarship program, established pursuant to section 16315 of the public health code, 1978 PA 368, MCL 333.16315, shall be used to increase the number of nurses practicing in Michigan. The board of nursing is encouraged to structure scholarships funded under this act in a manner that rewards recipients who intend to practice nursing in Michigan. In addition, the department and the board of nursing shall work cooperatively with the Michigan higher education assistance authority to coordinate scholarship assistance with scholarships provided pursuant to the Michigan nursing scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189.

Sec. 708. Nursing facilities shall report in the quarterly staff report to the department, the total patient care hours provided each month, by state licensure and certification classification, and the percentage of pool staff, by state licensure and certification classification, used each month during the preceding quarter. The department shall make available to the public, the quarterly staff report compiled for all facilities including the total patient care hours and the percentage of pool staff used, by classification.

Sec. 709. The funds appropriated in part 1 for the Michigan essential health care provider program may also provide loan repayment for dentists that fit the criteria established by part 27 of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.

Sec. 710. From the funds appropriated in part 1 for primary care services, an amount not to exceed \$2,172,700.00 is appropriated to enhance the service capacity of the federally qualified health centers and other health centers that are similar to federally qualified health centers.

Sec. 711. The department may make available to interested entities customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted fund.

Sec. 712. From the funds appropriated in part 1 for primary care services, \$250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 713. The department shall continue support of multicultural agencies that provide primary care services from the funds appropriated in part 1.

Sec. 714. The department shall report by April 1 of the current fiscal year to the legislature on the timeliness of nursing facility complaint investigations and the number of allegations that are substantiated on an annual basis. The report shall consist of the number of allegations filed by consumers and the number of facility-reported incidents. The department shall make every effort to contact every complainant and the subject of a complaint during an investigation.

Sec. 716. The department shall give priority in investigations of alleged wrongdoing by licensed health care professionals to instances that are alleged to have occurred within 2 years of the initial complaint.

Sec. 718. The department shall gather information on its most frequently cited complaint deficiencies for the prior 3 fiscal years. The department shall determine whether there is an increase in the number of citations from 1 year to the next and assess the cause of the increase, if any, and whether education and training of nursing facility staff or department staff is needed. The department will implement any training indicated by the study. The department shall provide the results of the study to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by May 1 of the current fiscal year.

Sec. 720. From the funds appropriated in part 1 for primary care services, \$75,000.00 shall be allocated to the Helen M. Nickless volunteer clinic in Bay City.

Sec. 722. A medical professional who was newly accepted into the Michigan essential health provider program in fiscal year 2008-2009 is eligible for 4 years of loan repayments.

Sec. 724. From the funds appropriated in part 1 for emergency medical services program state staff, up to \$100.00 may be allocated for the development of a coordinated statewide trauma care system.

Sec. 725. From the funds appropriated in part 1 for rural health services, up to \$100.00 may be allocated to support rural health improvement as identified in "Michigan Strategic Opportunities for Rural Health Improvement, A State Rural Health Plan 2008-2012". The department shall make these funds available to rural and micropolitan communities under a competitive bid process. The department shall not allocate more than \$5,000.00 to each rural or micropolitan community under this section. The department shall not allocate funds appropriated under this section unless a 50/50 state and local match rate has occurred. The department shall submit a report to the house and senate appropriations subcommittees on community health, house and senate fiscal agencies, and state budget director by April 1 of the current fiscal year on the projects supported by this allocation.

Sec. 726. (1) The department shall submit a report by April 1 of the current fiscal year to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director, on an annual basis, that includes all data on the amount collected from medical marijuana program application and renewal fees along with the cost of administering the medical marijuana program under the Michigan medical marijuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(2) If the required fees are shown to be insufficient to offset all expenses of implementing and administering the medical marijuana program, the department shall review and revise the application and renewal fees accordingly to ensure that all expenses of implementing and administering the medical marijuana program are offset as is permitted under section 5 of the Michigan medical marijuana act, 2008 IL 1, MCL 333.26425.

Sec. 727. By October 1, 2010 if authorized by law, the department shall establish and implement a bid process to identify a private or public contractor to provide management of the medical marijuana program. By April 1 of the current fiscal year if authorized by law, the department shall transfer responsibility for management of the medical marijuana program to the contractor identified by the bid process.

Sec. 729. The department shall identify counties in which there are an insufficient number of health professionals providing obstetrical and gynecological services. In addition, the department shall identify the reasons why there are an insufficient number of health professionals providing obstetrical and gynecological services and identify possible policy or fiscal, or both, measures considered necessary to address the shortage. The department shall submit a report of its findings under this section to the house and senate appropriations subcommittees on community health, house and senate fiscal agencies, and state budget director no later than December 1 of the current fiscal year.

Sec. 730. The department shall ensure that any Medicare certification survey authorized by the center for Medicare and Medicaid services (CMS) for the expansion of, or the operation of, a new outpatient end-stage renal disease facility shall

be conducted within 120 days after that authorization as allowed by federal rules, regulations, and instructions. The 120 days shall begin when all requirements for the initial certification survey have been fulfilled, including approval of the CMS application, issuance of the CMS-855 by national government services, state approval for occupancy, and provision of care for a reasonable and sufficient number of patients for 1 complete week.

INFECTIOUS DISEASE CONTROL

Sec. 801. In the expenditure of funds appropriated in part 1 for AIDS programs, the department and its subcontractors shall ensure that high-risk individuals ages 9 through 18 receive priority for prevention, education, and outreach services.

Sec. 803. The department shall continue the AIDS drug assistance program maintaining the prior year eligibility criteria and drug formulary. This section does not prohibit the department from providing assistance for improved AIDS treatment medications. If the appropriation in part 1 or actual revenue is not sufficient to maintain the prior year eligibility criteria and drug formulary, the department may revise the eligibility criteria and drug formulary in a manner that is consistent with federal program guidelines.

Sec. 804. The department, in conjunction with efforts to implement the Michigan prisoner reentry initiative, shall cooperate with the department of corrections to share data and information as they relate to prisoners being released who are HIV positive or positive for the hepatitis C antibody.

LABORATORY SERVICES

Sec. 840. From the funds appropriated in part 1 for laboratory services, the department shall allocate \$250,000.00 for Upper Peninsula laboratory services for the continuation of operations and services in fiscal year 2010-2011.

EPIDEMIOLOGY

Sec. 851. The department shall provide a report annually to the house and senate appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the expenditures and activities undertaken by the lead abatement program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 901. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 902. (1) If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

(2) The department shall explore changes in program policy that would permit enhanced grants provided through the essential local public health services line to local public health departments that have successfully consolidated after October 1 of the current fiscal year.

Sec. 904. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of natural resources and environment.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) By April 1 of the current fiscal year, the department shall make available a report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1006. (1) In spending the funds appropriated in part 1 for the smoking prevention program, priority shall be given to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents.

(2) For purposes of complying with 2004 PA 164, \$100,000.00 of the funds appropriated in part 1 for the smoking prevention program shall be used for the quit kit program that includes the nicotine patch or nicotine gum.

Sec. 1007. (1) The funds appropriated in part 1 for violence prevention may be used for programs aimed at the prevention of spouse, partner, or child abuse and rape.

(2) In awarding grants from the amounts appropriated in part 1 for violence prevention, the department shall give equal consideration to public and private nonprofit applicants.

Sec. 1008. From the funds appropriated in part 1 for the diabetes and kidney program, the department may allocate up to \$25,000.00 for a diabetes management pilot project in Muskegon County.

Sec. 1009. From the funds appropriated in part 1 for the diabetes and kidney program, a portion of the funds may be allocated to the National Kidney Foundation of Michigan for kidney disease prevention programming including early identification and education programs and kidney disease prevention demonstration projects.

Sec. 1019. From the funds appropriated in part 1 for chronic disease control and health promotion administration, up to \$50,000.00 may be allocated for stroke prevention, education, and outreach. The objectives of the program shall include education to assist persons in identifying risk factors, and education to assist persons in the early identification of the occurrence of a stroke in order to minimize stroke damage.

Sec. 1028. Contingent on the availability of state restricted healthy Michigan fund money or federal preventive health and health services block grant fund money, funds may be appropriated for the African-American male health initiative.

Sec. 1031. (1) From the funds appropriated in part 1 for the injury control intervention project, \$200,000.00 shall be used to continue 2 incentive-based pilot programs for level I and level II trauma hospitals to ensure greater state utilization of an interactive, evidence-based treatment guideline model for traumatic brain injury.

(2) One pilot program shall be placed in a county with a population of less than 225,000. The other pilot program shall be placed in a county with a population over 1,000,000.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1101. The department shall review the basis for the distribution of funds to local health departments and other public and private agencies for the women, infants, and children food supplement program; family planning; and prenatal care outreach and service delivery support program and indicate the basis upon which any projected underexpenditures by local public and private agencies shall be reallocated to other local agencies that demonstrate need.

Sec. 1104. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1105. For all family, maternal, and children's health services programs for which an appropriation is made in part 1, the department shall contract with those local agencies best able to serve clients. Factors to be used by the department in evaluating agencies under this section include the ability to serve high-risk population groups; ability to provide access to individuals in need of services in rural communities; ability to serve low-income clients, where applicable; availability of, and access to, service sites; management efficiency; and ability to meet federal standards, when applicable.

Sec. 1106. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of family planning within the United States department of health and human services specifies in the family planning annual report. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1108. The funds appropriated in part 1 for pregnancy prevention programs shall not be used to provide abortion counseling, referrals, or services.

Sec. 1109. (1) From the amounts appropriated in part 1 for dental programs, funds shall be allocated to the Michigan dental association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) Not later than December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house standing committees on health policy the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the immediately preceding fiscal year.

Sec. 1110. An agency that currently receives pregnancy prevention funds and either receives or is eligible for other family planning funds shall have the option of receiving all of its family planning funds directly from the department and be designated as a delegate agency.

Sec. 1111. The department shall allocate no less than 88% of the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program for the direct provision of family planning and pregnancy prevention services.

Sec. 1112. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate up to \$1,000,000.00 to communities with high infant mortality rates.

Sec. 1117. (1) Contingent upon the availability of federal or state restricted funds, the department may pursue efforts to reduce the incidence of stillbirth. Efforts shall include the establishment of a program to increase public awareness of stillbirth, promote education to monitor fetal movements counting kicks, promote a uniform definition of stillbirth, standardize data collection of stillbirths, and collaborate with appropriate federal agencies and statewide organizations. The department shall seek federal or other grant funds to assist in implementing this program.

(2) From the funds appropriated in part 1 for prenatal care outreach and service delivery support, effective March 1, 2011, the department shall allocate to the healthy birth day organization or to the first candle organization \$50,000.00 for efforts to reduce the incidence of stillbirth as described in subsection (1). The organization shall use these funds primarily for a counting fetal kicks awareness program and materials for expectant parents and maternal health care providers. It is the intent of the legislature that the recipient organization act in a collaborative manner with other organizations having a stated purpose of preventing infant mortality.

Sec. 1129. The department shall provide a report annually to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the number of children with elevated blood lead levels from information available to the department. The report shall provide the information by county, shall include the level of blood lead reported, and shall indicate the sources of the information.

Sec. 1133. The department shall release infant mortality rate data to all local public health departments 72 hours or more before releasing infant mortality rate data to the public.

Sec. 1135. (1) Provision of the school health education curriculum, such as the Michigan model for health or another comprehensive school health education curriculum, shall be in accordance with the health education goals established by the Michigan model steering committee. The steering committee shall be composed of a representative from each of the following offices and departments:

- (a) The department of education.
- (b) The department of community health.
- (c) The health administration in the department of community health.
- (d) The mental health and substance abuse administration in the department of community health.
- (e) The department of human services.
- (f) The department of state police.

(2) Upon written or oral request, a pupil not less than 18 years of age or a parent or legal guardian of a pupil less than 18 years of age, within a reasonable period of time after the request is made, shall be informed of the content of a course in the health education curriculum and may examine textbooks and other classroom materials that are provided to the pupil or materials that are presented to the pupil in the classroom. This subsection does not require a school board to permit pupil or parental examination of test questions and answers, scoring keys, or other examination instruments or data used to administer an academic examination.

Sec. 1137. From the funds appropriated in part 1 for special projects, up to \$100.00 may be allocated to support an Alzheimer's disease patient care training program involving a community college and a retirement community.

Sec. 1138. From the funds appropriated in part 1 for special projects, up to \$100.00 shall be allocated to the Ele's Place organization in Lansing.

Sec. 1139. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall fund the nurse family partnership program.

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1151. The department may work with local participating agencies to define local annual contributions for the farmer's market nutrition program, project FRESH, to enable the department to request federal matching funds based on local commitment of funds.

Sec. 1153. The department shall ensure that individuals residing in rural communities have sufficient access to the services offered through the WIC program. The department shall report to the legislature on its efforts to increase access to the WIC program in rural areas.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1201. Funds appropriated in part 1 for medical care and treatment of children with special health care needs shall be paid according to reimbursement policies determined and published by the Michigan medical services administration.

Sec. 1202. The department may do 1 or more of the following:

- (a) Provide special formula for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.
- (c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

Sec. 1203. All children who are determined medically eligible for the children's special health care services program shall be referred to the appropriate locally-based services program in their community.

Sec. 1204. The department shall work with the Michigan association of health plans to develop a plan for reimbursing and enrolling children into the Medicaid health plans for the children's special health care services program. The department shall report the results of this effort to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by April 1 of the current fiscal year.

Sec. 1205. If the department determines that a family currently enrolled in the children's special health care services program is likely to qualify for Medicaid or MICHild coverage, the department shall request that the family complete the healthy kids application within 3 months after such request is made by the department. If the family fails or refuses to complete the healthy kids application within 3 months of the request, then the department shall deem the family ineligible for participation in the children's special health care services program.

CRIME VICTIM SERVICES COMMISSION

Sec. 1302. From the funds appropriated in part 1 for justice assistance grants, up to \$200,000.00 shall be allocated for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

Sec. 1304. The department shall work with the department of state police, the Michigan health and hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the "Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims" are followed in the collection of evidence.

OFFICE OF SERVICES TO THE AGING

Sec. 1401. The appropriation in part 1 to the office of services to the aging for community services and nutrition services shall be restricted to eligible individuals at least 60 years of age who fail to qualify for home care services under title XVIII, XIX, or XX.

Sec. 1403. (1) The office of services to the aging shall require each region to report to the office of services to the aging and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

- (a) The recipient's degree of frailty.
- (b) The recipient's inability to prepare his or her own meals safely.
- (c) Whether the recipient has another care provider available.
- (d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 1404. The area agencies on aging and local providers may receive and expend fees for the provision of day care, care management, respite care, and certain eligible home- and community-based services. The fees shall be based on a sliding scale, taking client income into consideration. The fees shall be used to maintain or expand services, or both.

Sec. 1406. The appropriation of \$4,468,700.00 of merit award trust funds to the office of services to the aging for the respite care program shall be allocated in accordance with a long-term care plan developed by the long-term care working group established in section 1657 of 1998 PA 336 upon implementation of the plan. The use of the funds shall be for direct respite care or adult respite care center services. Not more than 9% of the amount allocated under this section shall be expended for administration and administrative purposes.

Sec. 1413. Local counties may request to change membership in the area agencies on aging if the change is to an area agency on aging that is contiguous to that county pursuant to office of services to the aging policies and procedures for area agency on aging designation. The office of services to the aging shall adjust allocations to area agencies on aging to account for any changes in county membership. The office of services to the aging shall ensure annually that county boards of commissioners are aware that county membership in area agencies on aging can be changed subject to office of services to the aging policies and procedures for area agency on aging designation.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on community health, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

- (a) The total allocation of state resources made to each area agency on aging by individual program and administration.
- (b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally funded resources.

Sec. 1418. From the funds appropriated in part 1 for nutrition services, the department shall maximize funding for home-delivered meals to the extent allowable under federal law and regulation.

MEDICAL SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1602. Medical services shall be provided to elderly and disabled persons with incomes less than or equal to 100% of the federal poverty level, pursuant to the state's option to elect such coverage set out at section 1902(a)(10)(A)(ii) and (m) of title XIX, 42 USC 1396a.

Sec. 1603. (1) The department may establish a program for persons to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

(4) The department shall modify program policies to permit individuals eligible for the transitional medical assistance plus program, as structured in fiscal year 2009-2010, to access medical assistance coverage through a 100% cost share.

Sec. 1604. (1) A Medicaid recipient shall remain eligible and a qualifying applicant shall be determined eligible for medical assistance during a period of incarceration or detention. Medicaid coverage is limited during such a period to off-site inpatient hospitalization only.

(2) A Medicaid recipient is considered incarcerated or detained until released on bail, released as not guilty, released on parole, released on probation, released on pardon, released upon completing a sentence, or released under home detention or tether.

Sec. 1605. (1) The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

(2) The department shall notify the senate and house appropriations subcommittees on community health and the state budget director of any proposed revisions to the protected income level for Medicaid coverage related to the public assistance standard 90 days prior to implementation.

Sec. 1606. For the purpose of guardian and conservator charges, the department of community health may deduct up to \$60.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1610. The department shall provide an administrative procedure for the review of cost report grievances by medical services providers with regard to reimbursement under the medical services program. Settlements of properly submitted cost reports shall be paid not later than 9 months from receipt of the final report.

Sec. 1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1620. (1) For fee-for-service recipients who do not reside in nursing homes, the pharmaceutical dispensing fee shall be \$2.75 or the pharmacy's usual or customary cash charge, whichever is less. For nursing home residents, the pharmaceutical dispensing fee shall be \$3.00 or the pharmacy's usual or customary cash charge, whichever is less.

(2) The department shall require a prescription co-payment for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

(3) It is the intent of the legislature that if the department realizes savings as a result of the implementation of average manufacturer's price for reimbursement of multiple source generic medication dispensing as imposed pursuant to the federal deficit reduction act of 2005, Public Law 109-171, the savings shall be returned to pharmacies in the form of an increased dispensing fee for medications not to exceed \$2.00. The savings shall be calculated as the difference in state expenditure between the current methodology of payment, which is maximum allowable cost, and the proposed new reimbursement method of average manufacturer's price.

Sec. 1621. The department may implement prospective drug utilization review and disease management systems. The prospective drug utilization review, a pharmacist-approved medication therapy program, and disease management systems authorized by this section shall have physician oversight; focus on patient, physician, and pharmacist education; and be developed in consultation with the national pharmaceutical council, Michigan state medical society, Michigan osteopathic association, Michigan pharmacists association, Michigan health and hospital association, and Michigan nurses association.

Sec. 1623. (1) The department shall continue the Medicaid policy that allows for the dispensing of a 100-day supply for maintenance drugs.

(2) The department shall notify all HMOs, physicians, pharmacies, and other medical providers that are enrolled in the Medicaid program that Medicaid policy allows for the dispensing of a 100-day supply for maintenance drugs.

(3) The notice in subsection (2) shall also clarify that a pharmacy shall fill a prescription written for maintenance drugs in the quantity specified by the physician, but not more than the maximum allowed under Medicaid, unless subsequent consultation with the prescribing physician indicates otherwise.

Sec. 1627. (1) The department shall use procedures and rebates amounts specified under section 1927 of title XIX, 42 USC 1396r-8, to secure quarterly rebates from pharmaceutical manufacturers for outpatient drugs dispensed to participants in the MICHild program, maternal outpatient medical services program, and children's special health care services.

(2) For products distributed by pharmaceutical manufacturers not providing quarterly rebates as listed in subsection (1), the department may require preauthorization.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in the state of Michigan.

Sec. 1630. Medicaid coverage for adult dental and podiatric services shall continue at not less than the level in effect on October 1, 2002, except that reasonable utilization limitations may be adopted in order to prevent excess utilization.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulations, the department shall require Medicaid recipients to pay the following co-payments:

- (a) Two dollars for a physician office visit.
- (b) Three dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital stay.
- (d) One dollar for an outpatient hospital visit.

Sec. 1633. By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the feasibility of providing healthy kids dental coverage in cities rather than entire counties.

Sec. 1635. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase in Medicaid reimbursement rates for obstetrical services implemented in fiscal year 2005-2006.

Sec. 1636. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase in Medicaid reimbursement rates for physician well child procedure codes and primary care procedure codes implemented in fiscal year 2006-2007 and fiscal year 2008-2009. The increased reimbursement rates in this section shall not exceed the comparable Medicare payment rate for the same services.

Sec. 1637. (1) All adult Medicaid recipients shall be offered the opportunity to sign a Medicaid personal responsibility agreement.

(2) The personal responsibility agreement shall include at minimum the following provisions:

- (a) That the recipient shall not smoke.

- (b) That the recipient shall attend all scheduled medical appointments.
- (c) That the recipient shall exercise regularly.
- (d) That if the recipient has children, those children shall be up to date on their immunizations.
- (e) That the recipient shall abstain from abusing controlled substances and narcotics.

Sec. 1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1642. The department shall allow ambulatory surgery centers in this state to fully participate in the Medicaid program.

Sec. 1643. Of the funds appropriated in part 1 for graduate medical education in the hospital services and therapy line-item appropriation, not less than \$12,585,400.00 shall be allocated for the psychiatric residency training program that establishes and maintains collaborative relations with the schools of medicine at Michigan State University and Wayne State University if the necessary allowable Medicaid matching funds are provided by the universities.

Sec. 1647. From the funds appropriated in part 1 for medical services, the department shall allocate for graduate medical education not less than the level of rates and payments in effect on April 1, 2005.

Sec. 1648. The department shall maintain and make available an online resource to enable medical providers to obtain enrollment and benefit information of Medicaid recipients. There shall be no charge to providers for the use of the online resource.

Sec. 1649. From the funds appropriated in part 1 for medical services, the department shall continue breast and cervical cancer treatment coverage for women up to 250% of the federal poverty level, who are under age 65, and who are not otherwise covered by insurance. This coverage shall be provided to women who have been screened through the centers for disease control breast and cervical cancer early detection program, and are found to have breast or cervical cancer, pursuant to the breast and cervical cancer prevention and treatment act of 2000, Public Law 106-354.

Sec. 1650. (1) The department may require medical services recipients residing in counties offering managed care options to choose the particular managed care plan in which they wish to be enrolled. Persons not expressing a preference may be assigned to a managed care provider.

(2) Persons to be assigned a managed care provider shall be informed in writing of the criteria for exceptions to capitated managed care enrollment, their right to change HMOs for any reason within the initial 90 days of enrollment, the toll-free telephone number for problems and complaints, and information regarding grievance and appeals rights.

(3) The criteria for medical exceptions to HMO enrollment shall be based on submitted documentation that indicates a recipient has a serious medical condition, and is undergoing active treatment for that condition with a physician who does not participate in 1 of the HMOs. If the person meets the criteria established by this subsection, the department shall grant an exception to mandatory enrollment at least through the current prescribed course of treatment, subject to periodic review of continued eligibility.

Sec. 1651. (1) Medical services patients who are enrolled in HMOs have the choice to elect hospice services or other services for the terminally ill that are offered by the HMOs. If the patient elects hospice services, those services shall be provided in accordance with part 214 of the public health code, 1978 PA 368, MCL 333.21401 to 333.21420.

(2) The department shall not amend the medical services hospice manual in a manner that would allow hospice services to be provided without making available all comprehensive hospice services described in 42 CFR part 418.

Sec. 1652. Any new contracts with Medicaid health plans negotiated or signed, or both, during the current fiscal year shall include the following provisions regarding expansion of services by the Medicaid HMOs to counties not previously served by that Medicaid HMO:

(a) The Medicaid HMO shall not sell, transfer, or otherwise convey to any person all or any portion of the HMO's assets or business, whether in the form of equity, debt or otherwise, for a period of 3 years from the date the Medicaid HMO commences operations in a new service area.

(b) That any Medicaid HMOs that expand into a county with a population of at least 1,500,000 shall also expand its coverage to a county with a population of less than 100,000 which has 1 or fewer HMOs participating in the Medicaid program.

Sec. 1653. Implementation and contracting for managed care by the department through HMOs shall be subject to the following conditions:

(a) Continuity of care is assured by allowing enrollees to continue receiving required medically necessary services from their current providers for a period not to exceed 1 year if enrollees meet the managed care medical exception criteria.

(b) The department shall require contracted HMOs to submit data determined necessary for evaluation on a timely basis.

(c) Mandatory enrollment of Medicaid beneficiaries living in counties defined as rural by the federal government, which is any nonurban standard metropolitan statistical area, is allowed if there is only 1 HMO serving the Medicaid population, as long as each Medicaid beneficiary is assured of having a choice of at least 2 physicians by the HMO.

(d) Enrollment of recipients of children's special health care services in HMOs shall continue to be voluntary for those enrolled in the children's special health care services program. Children's special health care services recipients shall be informed of the opportunity to enroll in HMOs.

(e) The department shall develop a case adjustment to its rate methodology that considers the costs of persons with HIV/AIDS, end stage renal disease, organ transplants, and other high-cost diseases or conditions and shall implement the case adjustment when it is proven to be actuarially and fiscally sound. Implementation of the case adjustment must be budget neutral.

(f) Prior to contracting with an HMO for managed care services that did not have a contract with the department before October 1, 2002, the department shall receive assurances from the office of financial and insurance regulation that the HMO meets the net worth and financial solvency requirements contained in chapter 35 of the insurance code of 1956, 1956 PA 218, MCL 500.3501 to 500.3580.

Sec. 1654. Medicaid HMOs shall provide for reimbursement of HMO covered services delivered other than through the HMO's providers if medically necessary and approved by the HMO, immediately required, and that could not be reasonably obtained through the HMO's providers on a timely basis. Such services shall be considered approved if the HMO does not respond to a request for authorization within 24 hours of the request. Reimbursement shall not exceed the Medicaid fee-for-service payment for those services.

Sec. 1655. (1) The department may require a 12-month lock-in to the HMO selected by the recipient during the initial and subsequent open enrollment periods, but allow for good cause exceptions during the lock-in period.

(2) Medicaid recipients shall be allowed to change HMOs for any reason within the initial 90 days of enrollment.

Sec. 1656. (1) The department shall provide an expedited complaint review procedure for Medicaid eligible persons enrolled in HMOs for situations in which failure to receive any health care service would result in significant harm to the enrollee.

(2) The department shall provide for a toll-free telephone number for Medicaid recipients enrolled in managed care to assist with resolving problems and complaints. If warranted, the department shall immediately disenroll persons from managed care and approve fee-for-service coverage.

Sec. 1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital must receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) shall not be construed as a requirement to alter an existing agreement between an HMO and its contracting hospitals nor as a requirement that an HMO must reimburse for services that are not considered to be medically necessary.

Sec. 1658. (1) HMOs shall have contracts with hospitals within a reasonable distance from their enrollees. If a hospital does not contract with the HMO in its service area, that hospital shall enter into a hospital access agreement as specified in the Medical Services Administration Bulletin Hospital 01-19.

(2) A hospital access agreement specified in subsection (1) shall be considered an affiliated provider contract pursuant to the requirements contained in chapter 35 of the insurance code of 1956, 1956 PA 218, MCL 500.3501 to 500.3580.

Sec. 1659. The following sections of this act are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance abuse, and developmentally disabled services program: 271, 401, 402, 404, 411, 414, 418, 424, 428, 456, 460, 474, 1204, 1607, 1650, 1651, 1652, 1653, 1654, 1655, 1656, 1657, 1660, 1661, 1662, 1679, 1681, 1684, 1688, 1689, 1690, 1699, 1711, 1739, 1740, 1752, 1756, 1764, 1772, 1783, 1786, 1787, 1815, 1816, 1819, 1820, 1821, 1822, 1824, 1826, and 1835.

Sec. 1660. (1) The department shall assure that all Medicaid children have timely access to EPSDT services as required by federal law. Medicaid HMOs shall provide EPSDT services to their child members in accordance with Medicaid EPSDT policy.

(2) The primary responsibility of assuring a child's hearing and vision screening is with the child's primary care provider. The primary care provider shall provide age-appropriate screening or arrange for these tests through referrals to local health departments. Local health departments shall provide preschool hearing and vision screening services and accept referrals for these tests from physicians or from Head Start programs in order to assure all preschool children have appropriate access to hearing and vision screening. Local health departments shall be reimbursed for the cost of providing these tests for Medicaid eligible children by the Medicaid program.

(3) The department shall prohibit HMOs from requiring prior authorization of their contracted providers for any EPSDT screening and diagnosis services.

(4) The department shall require HMOs to be responsible for well child visits as described in Medicaid policy. These responsibilities shall be specified in the information distributed by the HMOs to their members.

(5) The department shall provide, on an annual basis, budget-neutral incentives to Medicaid HMOs and local health departments to improve performance on measures related to the care of children.

Sec. 1661. (1) The department shall assure that all Medicaid eligible children and pregnant women have timely access to MIHP services. Medicaid HMOs shall assure that MIHP screening is available to their pregnant members and that those women found to meet the MIHP high-risk criteria are offered maternal support services. Local health departments shall assure that MIHP screening is available for Medicaid pregnant women and that those women found to meet the MIHP high-risk criteria are offered MIHP services or are referred to a certified MIHP provider.

(2) The department shall require HMOs to be responsible for the coordination of MIHP services as described in Medicaid policy. These responsibilities shall be specified in the information distributed by the HMOs to their members.

(3) The department shall assure the coordination of MIHP services with the WIC program, state-supported substance abuse, smoking prevention, and violence prevention programs, the department of human services, and any other state or local program with a focus on preventing adverse birth outcomes and child abuse and neglect.

(4) The department shall provide, on an annual basis, budget-neutral incentives to Medicaid HMOs and local health departments to improve performance on measures related to the care of pregnant women.

Sec. 1662. (1) The department shall assure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and health employer data and information set well child health measures in accordance with the National Committee on Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited health employer data and information set reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

(4) The department shall work with the Michigan association of health plans and the Michigan association for local public health to improve service delivery and coordination in the MIHP and EPSDT programs.

(5) The department shall assure that training and technical assistance are available for EPSDT and MIHP for Medicaid health plans, local health departments, and MIHP contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 200% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this act. Health coverage for children in families between 150% and 200% of the federal poverty level shall be provided through a state-based private health care program.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the federally approved MICHild state plan.

(3) Children whose category of eligibility changes between the Medicaid and MICHild programs shall be assured of keeping their current health care providers through the current prescribed course of treatment for up to 1 year, subject to periodic reviews by the department if the beneficiary has a serious medical condition and is undergoing active treatment for that condition.

(4) To be eligible for the MICHild program, a child must be residing in a family with an adjusted gross income of less than or equal to 200% of the federal poverty level. The department's verification policy shall be used to determine eligibility.

(5) The department shall enter into a contract to obtain MICHild services from any HMO, dental care corporation, or any other entity that offers to provide the managed health care benefits for MICHild services at the MICHild capitated rate. As used in this subsection:

(a) "Dental care corporation", "health care corporation", "insurer", and "prudent purchaser agreement" mean those terms as defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL 550.52.

(b) "Entity" means a health care corporation or insurer operating in accordance with a prudent purchaser agreement.

(6) The department may enter into contracts to obtain certain MICHild services from community mental health service programs.

(7) The department may make payments on behalf of children enrolled in the MICHild program from the line-item appropriation associated with the program as described in the MICHild state plan approved by the United States department of health and human services, or from other medical services.

(8) The department shall assure that an external quality review of each MICHild contractor, as described in subsection (5), is performed, which analyzes and evaluates the aggregated information on quality, timeliness, and access to health care services that the contractor furnished to MICHild beneficiaries.

(9) The department shall develop an automatic enrollment algorithm that is based on quality and performance factors.

Sec. 1671. From the funds appropriated in part 1, the department shall continue a comprehensive approach to the marketing and outreach of the MICHild program. The marketing and outreach required under this section shall be coordinated with current outreach, information dissemination, and marketing efforts and activities conducted by the department.

Sec. 1673. The department may establish premiums for MICHild eligible persons in families with income above 150% of the federal poverty level. The monthly premiums shall not be less than \$10.00 or exceed \$15.00 for a family.

Sec. 1677. The MICHild program shall provide all benefits available under the state employee insurance plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance abuse treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance abuse services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance abuse treatment services that may include inpatient, outpatient, and residential substance abuse treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1678. The department shall explore the cost to implement automatic enrollment in Medicaid or MICHild if the child meets all of the eligibility requirements for Medicaid or MICHild and meets the income eligibility criteria for free breakfast, lunch, or milk as determined under the Richard B. Russell national school lunch act, Public Law 79-396.

Sec. 1679. The department shall redetermine the mental health portion of the rates paid for the MICHild program based on the most recently available encounter data for MICHild enrollees. From the funds appropriated in part 1, the department shall pay CMHSPs rates sufficient to cover the cost of providing care to MICHild enrollees.

Sec. 1680. Payment increases for enhanced wages and new or enhanced employee benefits provided in previous years through the Medicaid nursing home wage pass-through program shall be continued.

Sec. 1681. From the funds appropriated in part 1 for home- and community-based services, the department and local waiver agents shall encourage the use of family members, friends, and neighbors of home- and community-based services participants, where appropriate, to provide homemaker services, meal preparation, transportation, chore services, and other nonmedical covered services to participants in the Medicaid home- and community-based services program. This section shall not be construed as allowing for the payment of family members, friends, or neighbors for these services unless explicitly provided for in federal or state law.

Sec. 1682. (1) The department shall implement enforcement actions as specified in the nursing facility enforcement provisions of section 1919 of title XIX, 42 USC 1396r.

(2) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(3) The department is authorized to provide civil monetary penalty funds to the disability network of Michigan to be distributed to the 15 centers for independent living for the purpose of assisting individuals with disabilities who reside in nursing homes to return to their own homes.

(4) The department is authorized to use civil monetary penalty funds to conduct a survey evaluating consumer satisfaction and the quality of care at nursing homes. Factors can include, but are not limited to, the level of satisfaction of nursing home residents, their families, and employees. The department may use an independent contractor to conduct the survey.

(5) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1683. The department shall promote activities that preserve the dignity and rights of terminally ill and chronically ill individuals. Priority shall be given to programs, such as hospice, that focus on individual dignity and quality of care provided persons with terminal illness and programs serving persons with chronic illnesses that reduce the rate of suicide through the advancement of the knowledge and use of improved, appropriate pain management for these persons; and initiatives that train health care practitioners and faculty in managing pain, providing palliative care, and suicide prevention.

Sec. 1684. The department shall submit a report by September 30 of the current fiscal year to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that will identify by waiver agent, Medicaid home- and community-based services waiver costs by administration, case management, and direct services.

Sec. 1685. All nursing home rates, class I and class III, shall have their respective fiscal year rate set 30 days prior to the beginning of their rate year. Rates may take into account the most recent cost report prepared and certified by the

preparer, provider corporate owner or representative as being true and accurate, and filed timely, within 5 months of the fiscal year end in accordance with Medicaid policy. If the audited version of the last report is available, it shall be used. Any rate factors based on the filed cost report may be retroactively adjusted upon completion of the audit of that cost report.

Sec. 1687. If the patient protection and affordable care act, Public Law 111-148, is repealed or overturned, the department shall study the feasibility, impact, and cost of supporting a Medicaid rate enhancement to be used exclusively to fund affordable, accessible, and adequate health insurance for direct care workers in nursing homes, adult foster care homes, homes for the aged, and home- and community-based services programs. If a study is done under this section, the department shall report its findings and recommendations to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by April 1 of the current fiscal year.

Sec. 1688. The department shall not impose a limit on per unit reimbursements to service providers that provide personal care or other services under the Medicaid home- and community-based services waiver program for the elderly and disabled. The department's per day per client reimbursement cap calculated in the aggregate for all services provided under the Medicaid home- and community-based services waiver is not a violation of this section.

Sec. 1689. (1) Priority in enrolling additional persons in the Medicaid home- and community-based services waiver program shall be given to those who are currently residing in nursing homes or who are eligible to be admitted to a nursing home if they are not provided home- and community-based services. The department shall use screening and assessment procedures to assure that no additional Medicaid eligible persons are admitted to nursing homes who would be more appropriately served by the Medicaid home- and community-based services waiver program.

(2) Within 60 days of the end of each fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies that details existing and future allocations for the home- and community-based services waiver program by regions as well as the associated expenditures. The report shall include information regarding the net cost savings from moving individuals from a nursing home to the home- and community-based services waiver program, the number of individuals transitioned from nursing homes to the home- and community-based services waiver program, the number of individuals on waiting lists by region for the program, and the amount of funds transferred during the fiscal year. The report shall also include the number of Medicaid individuals served and the number of days of care for the home- and community-based services waiver program and in nursing homes.

(3) The department shall develop a system to collect and analyze information regarding individuals on the home- and community-based services waiver program waiting list to identify the community supports they receive, including, but not limited to, adult home help, food assistance, and housing assistance services and to determine the extent to which these community supports help individuals remain in their home and avoid entry into a nursing home. The department shall provide a progress report on implementation to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by June 1 of the current fiscal year.

(4) The department shall maintain any policies, guidelines, procedures, standards, and regulations in order to limit the self-determination option with respect to the home- and community-based services waiver program to those services furnished by approved home-based service providers meeting provider qualifications established in the waiver and approved by the centers for Medicare and Medicaid services.

Sec. 1690. (1) The department shall submit a report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director by April 1 of the current fiscal year, to include all data collected on the quality assurance indicators in the preceding fiscal year for the home- and community-based services waiver program, as well as quality improvement plans and data collected on critical incidents in the waiver program and their resolutions.

(2) The department shall submit a report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director by April 1 of the current fiscal year, to include all data collected on the quality assurance indicators in the preceding fiscal year for the adult home help program, as well as quality improvement plans and data collected on critical incidents in the adult home help program and their resolutions.

Sec. 1691. Payment increases provided in previous years to adult home help workers shall be continued.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1693. (1) The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

(2) The department shall ensure that all public entities eligible for special Medicaid reimbursement that participate in the Medicaid program are aware of the existence of these programs.

Sec. 1694. The department shall distribute \$1,122,300.00 to an academic health care system that includes a children's hospital that has a high indigent care volume.

Sec. 1697. (1) As may be allowed by federal law or regulation, the department may use funds provided by a local or intermediate school district, which have been obtained from a qualifying health system, as the state match required for receiving federal Medicaid or children health insurance program funds. Any such funds received shall be used only to support new school-based or school-linked health services.

(2) A qualifying health system is defined as any health care entity licensed to provide health care services in the state of Michigan, that has entered into a contractual relationship with a local or intermediate school district to provide or manage school-based or school-linked health services.

Sec. 1699. (1) The department may make separate payments directly to qualifying hospitals serving a disproportionate share of indigent patients in the amount of \$52,500,000.00, and to hospitals providing graduate medical education training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid clients, hospitals will not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate \$45,000,000.00 in disproportionate share hospital funding using the distribution methodology used in fiscal year 2003-2004.

(3) The department shall allocate \$7,500,000.00 in disproportionate share hospital funding to unaffiliated hospitals and hospital systems that received less than \$900,000.00 in disproportionate share hospital payments in fiscal year 2007-2008 based on a formula that is weighted proportional to the product of each eligible system's Medicaid revenue and each eligible system's Medicaid utilization, except that no payment of less than \$1,000.00 shall be made.

(4) By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the new distribution of funding to each eligible hospital from the 2 pools.

Sec. 1711. The department shall maintain the 2-tier reimbursement methodology for Medicaid emergency physicians professional services that was in effect on September 30, 2002.

Sec. 1712. (1) Subject to the availability of funds, the department shall implement a rural health initiative. Available funds shall first be allocated as an outpatient adjustor payment to be paid directly to hospitals in rural counties in proportion to each hospital's Medicaid and indigent patient population. Additional funds, if available, shall be allocated for defibrillator grants, emergency medical technician training and support, or other similar programs.

(2) Except as otherwise specified in this section, "rural" means a county, city, village, or township with a population of not more than 30,000, including those entities if located within a metropolitan statistical area.

Sec. 1718. The department shall provide each Medicaid adult home help beneficiary or applicant with the right to a fair hearing when the department or its agent reduces, suspends, terminates, or denies adult home help services. If the department takes action to reduce, suspend, terminate, or deny adult home help services, it shall provide the beneficiary or applicant with a written notice that states what action the department proposes to take, the reasons for the intended action, the specific regulations that support the action, and an explanation of the beneficiary's or applicant's right to an evidentiary hearing and the circumstances under which those services will be continued if a hearing is requested.

Sec. 1724. The department shall allow licensed pharmacies to purchase injectable drugs for the treatment of respiratory syncytial virus for shipment to physicians' offices to be administered to specific patients. If the affected patients are Medicaid eligible, the department shall reimburse pharmacies for the dispensing of the injectable drugs and reimburse physicians for the administration of the injectable drugs.

Sec. 1731. The department shall continue an asset test to determine Medicaid eligibility for individuals who are parents, caretaker relatives, or individuals between the ages of 18 and 21 and who are not required to be covered under federal Medicaid requirements.

Sec. 1732. The department shall assure that, if proposed modifications to the quality assurance assessment program for nursing homes are not implemented, the projected general fund/general purpose savings shall not be achieved through reductions in nursing home reimbursement rates.

Sec. 1734. The department shall seek federal money for demonstration programs that will permit this state to provide financial incentives for positive health behavior practiced by Medicaid recipients, including, but not limited to, consumer-driven strategies that enable Medicaid recipients to choose coverage that meets their individual needs and that authorize monetary or other rewards for demonstrating positive health behavior changes.

Sec. 1739. The department shall continue the contractor performance bonus program for Medicaid health plans. The contractor performance bonus program may include indicators based on the prevalent and chronic conditions affecting the Medicaid population and indicators of preventive health status for adults and children.

Sec. 1740. From the funds appropriated in part 1 for health plan services, the department shall assure that all GME funds continue to be promptly distributed to qualifying hospitals using the methodology developed in consultation with the graduate medical education advisory group during fiscal year 2006-2007.

Sec. 1741. The department shall continue to provide nursing homes the opportunity to receive interim payments upon their request. The department shall make efforts to ensure that the interim payments are as similar to expected cost-settled payments as possible.

Sec. 1752. The department shall provide a Medicaid health plan with any information that may assist the Medicaid health plan in determining whether another party may be responsible, in whole or in part, for the payment of health benefits.

Sec. 1756. The department shall establish and implement a specialized case and care management program to serve the most costly Medicaid beneficiaries who are noncompliant with medical management, including persons with chronic diseases and mental health diagnoses, high prescription drug utilizers, members demonstrating noncompliance with previous medical management, and neonates. The case and care management program shall, at a minimum, provide a performance payment incentive for physicians who manage the recipient's care and health costs in the most effective way. The department may also develop additional contractual arrangements with 1 or more Medicaid HMOs for the provision of specialized case management services. Contracts with Medicaid HMOs may include provisions requiring collection of data related to Medicaid recipient compliance. Measures of patient compliance may include the proportion of clients who fill their prescriptions, the rate of clients who do not show for scheduled medical appointments, and the proportion of clients who use their medication.

Sec. 1757. (1) The department shall direct the department of human services to obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

(2) It is the intent of the legislature that the department seek clarification from the federal government on whether states can deny Medicaid eligibility to fugitive felons through a state plan amendment or waiver. The department shall report to the legislature on the results of this effort.

Sec. 1764. The department shall annually certify rates paid to Medicaid health plans as being actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval immediately to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies.

Sec. 1767. The department shall study and evaluate the impact of the change in the way in which the Medicaid program pays pharmacists for prescriptions from average wholesale price to average manufacturer price as required by the federal deficit reduction act of 2005, Public Law 109-171. Upon release of the data by the centers for Medicare and Medicaid services, the department shall submit a report of its study to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies. If the department finds that there is a negative impact on the pharmacists, the department shall reexamine the current pharmaceutical dispensing fee structure established under section 1620 and include in the report recommendations and proposals to counter the negative impact of that federal legislation.

Sec. 1770. In conjunction with the consultation requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and except as otherwise provided in this section, the department shall attempt to make the effective date for a proposed Medicaid policy bulletin or adjustment to the Medicaid provider manual on October 1, January 1, April 1, or July 1 after the end of the consultation period. The department may provide an effective date for a proposed Medicaid policy bulletin or adjustment to the Medicaid provider manual other than provided for in this section if necessary to be in compliance with federal or state law, regulations, or rules or with an executive order of the governor.

Sec. 1772. From the funds appropriated in part 1, the department shall continue a program, the primary goal of which is to enroll all children in foster care in Michigan in a Medicaid HMO.

Sec. 1773. (1) The department shall establish and implement a bid process to identify a single private contractor to provide Medicaid covered nonemergency transportation services in each county with a population over 750,000 individuals.

(2) The department shall reimburse mileage for nonemergency transportation that encourages contractors to participate.

Sec. 1775. The department shall provide a progress report on ongoing efforts to implement long-term managed care initiatives to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by June 1 of the current fiscal year.

Sec. 1777. From the funds appropriated in part 1 for long-term care services, the department shall permit, in accordance with applicable federal and state law, nursing homes to use dining assistants to feed eligible residents if legislation to permit the use of dining assistants is enacted into law. The department shall not be responsible for costs associated with training dining assistants.

Sec. 1783. (1) The department shall develop rates by April 1 of the current fiscal year for the enrollment of individuals dually eligible for Medicare and Medicaid into Medicaid health plans if those health plans also maintain a Medicare advantage special needs plan certified by the centers for Medicare and Medicaid services.

(2) The department shall report quarterly to the house and senate appropriations subcommittees on community health and to the house and senate fiscal agencies the status of the rate development described in subsection (1) and the number of dual eligibles enrolled by month in Medicaid health plans with Medicare advantage special needs plan certification for the current fiscal year.

Sec. 1786. The department shall convene a workgroup to consider reimbursement changes for hospital admissions of less than 24 hours. The workgroup shall include at a minimum the Michigan association of health plans and the Michigan health and hospital association. Any changes adopted by the department must be budget neutral.

Sec. 1787. The department shall require the managed care enrollment broker to maintain telephone numbers of Medicaid beneficiaries and provide each Medicaid health plan with the telephone number of that health plan's enrollees on a monthly basis.

Sec. 1802. The department may spend up to \$100,000.00 on a pilot program targeting Medicaid recipients with certain high-cost or complex health conditions. This pilot shall provide financial incentives to primary care physicians to handle disease management responsibilities for these Medicaid recipients.

Sec. 1804. The department, in cooperation with the department of human services, shall work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

Sec. 1812. From the funds appropriated in part 1 for medical services administration, up to \$100.00 may be allocated to support a pilot project to develop a regional health care resource sharing network. By encouraging collaboration and partnerships between local hospitals, this network is expected to enable each hospital to maintain independence and community control while sharing best practices and resources. The pilot shall be designed to improve access, improve patient outcomes, and lower costs in a medical home model. The region for the pilot shall encompass 22 counties and have 10 hospitals.

Sec. 1815. From the funds appropriated in part 1 for health plan services, the department may not implement a capitation withhold as part of the overall capitation rate schedule that exceeds the 0.19% withhold administered during fiscal year 2008-2009.

Sec. 1816. The department shall work with the Michigan association of health plans to develop and implement strategies for the use of information technology services for claims payment, claims status, and related functions.

Sec. 1817. The department shall report to the legislature on implementation of a policy that will prohibit billing for care made necessary by preventable medical errors or adverse health events no later than April 1 of the current fiscal year.

Sec. 1819. The department shall use Medicaid health plan encounter data in the development and revision of hospital diagnosis related group pricing policy.

Sec. 1820. The department shall recognize accrediting organizations for Medicaid health plans and shall consider accreditation results when reviewing the performance of Medicaid health plans.

Sec. 1821. The department shall establish appropriate performance standards for Medicaid health plans 6 months in advance of the application of those standards. The determination of performance shall be based on and include such recognized concepts as 1-year continuous enrollment and healthcare effectiveness data and information set audited data.

Sec. 1822. The department, the department's contracted Medicaid pharmacy benefit manager, and all Medicaid health plans shall implement coverage for a mental health prescription drug within 30 days of that drug's approval by the department's pharmacy and therapeutics committee.

Sec. 1824. Individuals who live in homes for the aged or adult foster care facilities shall be eligible to apply for enrollment for services from the home- and community-based waiver program.

Sec. 1826. The department shall develop a plan to expand and improve the beneficiary monitoring program. This plan shall include cost-effective methods to monitor and reduce unnecessary health care services, including prescription drugs, improve coordination of services between the primary care physician and mental health and substance abuse service providers, and improve compliance with prescribed medical management to reduce more costly use of emergency services. The department shall submit this plan to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director by April 1 of the current fiscal year.

Sec. 1829. Notwithstanding the removal of coverage for certain optional Medicaid services, the department shall continue its policy of providing coverage for emergency services. For this purpose, the department shall continue to adhere to the guidelines outlined in medical services administration policy bulletin MSA 09-28.

Sec. 1832. (1) The department shall continue efforts to standardize billing formats, referral forms, electronic credentialing, primary source verification, electronic billing and attachments, claims status, eligibility verification, and reporting of accepted and rejected encounter records received in the department data warehouse.

(2) The department shall convene a workgroup on making e-billing mandatory for the Medicaid program. The workgroup shall include representatives from medical provider organizations, Medicaid HMOs, and the department. The department shall report to the legislature on the findings of the workgroup by April 1 of the current fiscal year.

(3) The department shall provide a report by April 1 of the current fiscal year to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies detailing the percentage of claims for Medicaid reimbursement provided to the department that were initially rejected in the first quarter of fiscal year 2010-2011.

Sec. 1834. Individuals dually eligible for Medicaid and Medicare who are enrolled in a Medicare advantage special needs plan shall be eligible for services provided through the home- and community-based waiver program.

Sec. 1835. The department shall develop and implement processes to report rejected and accepted encounters to Medicaid health plans. Medicaid health plans shall be permitted to report additional medical records data obtained during medical record audits to the encounter warehouse consistent with Medicare guidelines.

Sec. 1836. In addition to the guidelines established in medical services administration bulletin MSA 09-28, medically necessary optical devices and other treatment services for adult Medicaid patients shall be covered when conventional

treatments do not provide functional vision correction. Such ocular conditions include, but are not limited to, congenital or acquired ocular disease or eye trauma.

Sec. 1837. The department shall explore utilization of telemedicine as a strategy to increase access to primary care services for Medicaid recipients in medically underserved areas.

Sec. 1838. (1) The department shall convene a workgroup consisting of nursing home provider representatives, including aging services of Michigan, the health care association of Michigan, and the Michigan county medical care facilities council, to identify possible budget-neutral changes in reimbursement for long-term care facilities. This workgroup shall first develop a case mix adjustment system to establish a level playing field for other possible reimbursement changes. These changes may include the provision of incentive payments to long-term care facilities considering measures of service quality, cost efficiency, volume of Medicaid beneficiaries served, and demonstrated commitment to underserved areas of the state or by examining the current long-term care reimbursement system and reviewing alternative reimbursement methodologies, or both.

(2) The department shall provide an update on the efforts of the workgroup required in subsection (1) with its presentation of the executive budget recommendation to the senate and house appropriations subcommittees on community health.

Sec. 1839. (1) The department shall work with relevant parties to explore the feasibility of seeking a modification of the demonstration waiver authorizing the Medicaid adult benefits waiver to expand physical and mental health coverage to childless adults with serious mental illness.

(2) The department shall provide an update of the findings associated with the requirements in subsection (1), including an estimate of any change in program general fund/general purpose cost and the number of individuals accessing physical health insurance, with its presentation of the executive budget recommendation to the senate and house appropriations subcommittees on community health.

Sec. 1841. The department shall report to the legislature on the fiscal impact of federal health reform legislation that has been implemented on the department's budget. This report shall be provided to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by April 1 of the current fiscal year.

Sec. 1842. (1) Subject to the availability of funds, the department shall adjust the hospital outpatient Medicaid reimbursement rate for qualifying hospitals as provided in this section. The Medicaid reimbursement rate for qualifying hospitals shall be adjusted to provide each qualifying hospital with its actual cost of delivering outpatient services to Medicaid recipients.

(2) As used in this section, "qualifying hospital" means a hospital that has not more than 50 staffed beds and is either located outside a metropolitan statistical area or in a metropolitan statistical area but within a city, village, or township with a population of not more than 12,000 according to the official 2000 federal decennial census and within a county with a population of not more than 165,000 according to the official 2000 federal decennial census.

Sec. 1843. The department shall explore the possibility of Medicaid reimbursement for wellness therapies that are designed to lower the state's cost for Medicaid physical therapy. As used in this section, "wellness therapies" includes, but is not limited to, nutrition counseling, smoking cessation, support groups, and lifestyle management.

Sec. 1844. If 2 or more vendors submit substantially similar bids in the bidding process for health information technology contracts that are proposed by the department and supported with ARRA funds, the department shall give preference, as permitted by law, to vendors established in this state.

Sec. 1846. Contingent upon federal approval, the department shall create a 1-time pool for distribution of disproportionate share hospital funding. The pool, totaling \$27,000,000.00, shall be used to increase the existing outpatient uncompensated care pool to \$87,000,000.00.

Second: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

Roger Kahn
John Pappageorge
Deborah Cherry
Conferees for the Senate

Gary McDowell
George Cushingberry, Jr.
Kevin Green
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Rep. Angerer moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the conference report having been made available to each Member.

The motion prevailed.

The question being on the adoption of the conference report,

The conference report was then adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 397**Yeas—68**

Angerer	Durhal	Lahti	Roberts
Barnett	Ebli	LeBlanc	Schmidt, R.
Bauer	Espinoza	Leland	Scott, B.
Bennett	Geiss	Lemmons	Scripps
Bledsoe	Gonzales	Lindberg	Segal
Brown, L.	Green	Lipton	Sheltrown
Brown, T.	Gregory	Liss	Slavens
Byrnes	Griffin	Lori	Slezak
Byrum	Haase	Mayes	Smith
Clemente	Hammel	McDowell	Spade
Constan	Haugh	Meadows	Stanley
Corriveau	Huckleberry	Melton	Switalski
Crawford	Jackson	Miller	Tlaib
Cushingberry	Johnson	Nathan	Valentine
Dean	Jones, Robert	Nerat	Warren
Dillon	Kandrevas	Neumann	Womack
Donigan	Kennedy	Polidori	Young

Nays—39

Agema	Elsenheimer	Kurtz	Proos
Amash	Genetski	Lund	Rocca
Ball	Haines	Marleau	Rogers
Bolger	Hansen	McMillin	Schmidt, W.
Booher	Haveman	Meekhof	Schuitmaker
Calley	Hildenbrand	Meltzer	Scott, P.
Caul	Horn	Moss	Stamas
Daley	Jones, Rick	Opsommer	Tyler
Denby	Knollenberg	Pavlov	Walsh
DeShazor	Kowall	Pearce	

In The Chair: Byrnes

By unanimous consent the House returned to the order of

Motions and Resolutions

Rep. Angerer moved that the Committee on Tax Policy be discharged from further consideration of **Senate Bill No. 884**.
(For first notice see House Journal No. 80, p. 1445.)

The question being on the motion made by Rep. Angerer,

The motion prevailed, a majority of the members serving voting therefor.

The bill was placed on the order of Second Reading of Bills.

Second Reading of Bills**Senate Bill No. 884, entitled**

A bill to amend 1941 PA 122, entitled "An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of this state; to prescribe certain powers and duties of

the state treasurer; to establish the collection duties of certain other state departments for money or accounts owed to this state; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments, and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act,” by amending sections 24, 30c, and 31 (MCL 205.24, 205.30c, and 205.31), section 24 as amended by 2003 PA 201, section 30c as amended by 2007 PA 194, and section 31 as amended by 2002 PA 657.

The bill was read a second time.

Rep. Durhal moved to substitute (H-3) the bill.

The motion prevailed and the substitute (H-3) was adopted, a majority of the members serving voting therefor.

Rep. Stamas moved to amend the bill as follows:

1. Amend page 3, line 5, after “2009.” by inserting “**THE DEPARTMENT OF TREASURY SHALL ISSUE A COMPETITIVE REQUEST FOR PROPOSALS TO SELECT A PRIVATE COLLECTIONS VENDOR TO PROVIDE COLLECTIONS, ADMINISTRATION, AND PUBLIC AWARENESS SERVICES IN SUPPORT OF THE TAX AMNESTY PROGRAM CREATED BY THIS SUBSECTION. THE REQUEST FOR PROPOSALS AND SELECTION CRITERIA SHALL AT A MINIMUM PROVIDE THE FOLLOWING:**

(A) AN ELIGIBLE VENDOR SHALL DEMONSTRATE EXPERIENCE IN SUCCESSFULLY ADMINISTERING A TAX AMNESTY PROGRAM AT THE STATE OR FEDERAL LEVEL.

(B) A PREFERENCE SHALL BE GIVEN TO A VENDOR WHICH AGREES TO PROVIDE AMNESTY SERVICES ON A RISK-SHARING OR PERFORMANCE BASIS WHICH INCLUDES MINIMUM ACCEPTABLE COLLECTIONS LEVELS AND INCREASED CONTINGENCY FEE RATES FOR HIGHER GROSS COLLECTION LEVELS.”.

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor.

Rep. Meadows moved to amend the bill as follows:

1. Amend page 4, following line 18, by inserting:

“(6) AS A METHOD TO INCREASE PROCEEDS FROM THE TAXES ADMINISTERED UNDER THIS ACT AFTER THE CONCLUSION OF THE AMNESTY PERIOD PROVIDED FOR IN SUBSECTION (2), THE DEPARTMENT SHALL ISSUE A REQUEST FOR PROPOSALS AND SELECT, VIA A COMPETITIVE BID PROCESS, A QUALIFIED PRIVATE ENTITY TO ASSIST THE DEPARTMENT DURING A PERIOD AFTER THE CONCLUSION OF THE AMNESTY PERIOD PROVIDED FOR IN SUBSECTION (2) IN IDENTIFYING PERSONS WITH WHOM THE DEPARTMENT HAS NOT HAD PRIOR CONTACT WHO HAVE A POTENTIAL LIABILITY FOR TAXES ADMINISTERED UNDER THIS ACT. THE REQUEST FOR PROPOSALS TO BE ISSUED BY THE DEPARTMENT OF TREASURY SHALL REQUIRE THAT THE PERSON BE COMPENSATED ON A CONTINGENCY BASIS THAT INCENTIVIZES PERFORMANCE BASED ON THE AMOUNT OF THE LIABILITY IDENTIFIED AND RECOVERED BY THE STATE.” and renumbering the remaining subsections.

The motion prevailed and the amendment was adopted, a majority of the members serving voting therefor.

Rep. Angerer moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Angerer moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

Senate Bill No. 884, entitled

A bill to amend 1941 PA 122, entitled “An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of this state; to prescribe certain powers and duties of the state treasurer; to establish the collection duties of certain other state departments for money or accounts owed to this state; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments, and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration,

audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act," by amending sections 24, 30c, and 31 (MCL 205.24, 205.30c, and 205.31), section 24 as amended by 2003 PA 201, section 30c as amended by 2007 PA 194, and section 31 as amended by 2002 PA 657.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 398**Yeas—58**

Angerer	Donigan	Kandrevas	Schmidt, R.
Barnett	Durhal	Kennedy	Scott, B.
Bauer	Ebli	LeBlanc	Scripps
Bennett	Espinoza	Leland	Segal
Bledsoe	Geiss	Lemmons	Sheltrown
Brown, L.	Gonzales	Lindberg	Slavens
Brown, T.	Gregory	Lipton	Smith
Byrnes	Griffin	Liss	Stanley
Byrum	Haase	McDowell	Switalski
Clemente	Hammel	Meadows	Tlaib
Constan	Haugh	Miller	Valentine
Corriveau	Huckleberry	Nathan	Warren
Cushingberry	Jackson	Nerat	Womack
Dean	Johnson	Roberts	Young
Dillon	Jones, Robert		

Nays—49

Agema	Green	Lund	Polidori
Amash	Haines	Marleau	Proos
Ball	Hansen	Mayer	Rocca
Bolger	Haveman	McMillin	Rogers
Booher	Hildenbrand	Meekhof	Schmidt, W.
Calley	Horn	Melton	Schuitmaker
Caul	Jones, Rick	Meltzer	Scott, P.
Crawford	Knollenberg	Moss	Slezak
Daley	Kowall	Neumann	Spade
Denby	Kurtz	Opsommer	Stamas
DeShazor	Lahti	Pavlov	Tyler
Elsenheimer	Lori	Pearce	Walsh
Genetski			

In The Chair: Byrnes

The question being on agreeing to the title of the bill,

Rep. Angerer moved to amend the title to read as follows:

A bill to amend 1941 PA 122, entitled "An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of this state; to prescribe certain powers and duties of the state treasurer; to establish the collection duties of certain other state departments for money or accounts owed to this state; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments, and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and

duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act," by amending section 31 (MCL 205.31), as amended by 2002 PA 657.

The motion prevailed.

The House agreed to the title as amended.

Rep. Angerer moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of

Motions and Resolutions

Rep. Angerer moved that when the House adjourns today it stand adjourned until Wednesday, September 22, at 10:00 a.m.

The motion prevailed.

Reps. Byrum, Ball, Barnett, Lisa Brown, Terry Brown, Calley, Constan, Espinoza, Gonzales, Green, Hansen, Robert Jones, Kandrevas, Kennedy, LeBlanc, Lipton, Liss, Nathan, Neumann, Pearce, Polidori, Rogers, Segal, Slavens, Spade, Stanley and Tyler offered the following resolution:

House Resolution No. 331.

A resolution to declare September 2010 as Safe Sleep Awareness Month in the state of Michigan.

Whereas, Sudden infant death syndrome (SIDS) is the leading cause of death in infants between one month and one year of age; and

Whereas, The risk factors for sudden infant death syndrome can be mitigated by reducing the baby's exposure to smoke and unsafe sleep practices; and

Whereas, Many parents are unaware of the dangers of SIDS. Babies are needlessly dying because they are put to sleep in environments that are not safe. These include: couches and adult beds, sleep areas with other children, adults or pets pillows, blankets, and adult beds or children's cribs with stuffed animals or other toys; and

Whereas, There are seven simple, inexpensive steps one should take to ensure babies sleep in a safe environment. These steps are: the baby always sleeps alone in a crib; the baby sleeps on his or her back; there is nothing in the baby's sleep area; the baby's face is uncovered; there is no smoking around the baby; the baby is not overheated or overdressed; the baby must sleep on a firm mattress with a tight-fitting sheet; and

Whereas, A broader understanding of safe sleep practices by parents in the state of Michigan will help prevent the nearly 8 babies who die out of 1,000 live births before their first birthday; now, therefore be it

Resolved by the House of Representatives, That the members of this legislative body declare the month of September 2010 to be Safe Sleep Awareness Month in the state of Michigan. We aim to promote awareness of safe sleep practices; and be it further

Resolved, That Michigan's hospitals are encouraged to instruct safe sleep practices to all new parents in order to prevent unsafe sleep environments and reduce infant deaths because of unsafe sleep; and be it further

Resolved, That copies of this resolution be transmitted to Tomorrow's Child as a token of our thanks for helping raise awareness of safe sleep practices and providing support to families who have lost a baby.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Byrum, Ball, Barnett, Lisa Brown, Terry Brown, Calley, Constan, Espinoza, Gonzales, Green, Hansen, Robert Jones, Kandrevas, Kennedy, LeBlanc, Lipton, Liss, Nathan, Neumann, Pearce, Polidori, Rogers, Segal, Slavens, Spade, Stanley and Tyler offered the following resolution:

House Resolution No. 332.

A resolution to declare September 2010 as National Infant Mortality Awareness Month in the state of Michigan.

Whereas, Infant mortality refers to the death of a baby before his or her first birthday; and

Whereas, Michigan has one of the highest infant mortality rates in the United States; and

Whereas, Premature birth, low birth-weight and shorter gestation periods account for more than 60% of U.S. infant deaths; and

Whereas, Factors that contribute to these alarming rates are: poverty, limited access to health care, stress, and diet & nutrition; and

Whereas, Studies have shown that the cost of care for low birth weight babies has an estimated annual economic impact of \$13 billion. While intensive neonatal care is an effective means to decrease infant mortality, a more cost-effective approach is to increase a pregnant woman's participation in early prenatal care; and

Whereas, Infant mortality rates can be substantially reduced through community-based services such as outreach, home visitation, case management, and health education; and

Whereas, A coalition of organizations, led by the National Healthy Start Association, have worked diligently, to raise public awareness about infant mortality, including its causes and how best to prevent infant mortality in the United States; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare September 2010 as National Infant Mortality Awareness Month in the state of Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Reps. Byrum, Ball, Barnett, Lisa Brown, Terry Brown, Calley, Constan, Espinoza, Gonzales, Green, Hansen, Robert Jones, Kandrevas, Kennedy, LeBlanc, Lipton, Liss, Nathan, Neumann, Pearce, Polidori, Rogers, Segal, Slavens, Stanley and Tyler offered the following resolution:

House Resolution No. 333.

A resolution to declare November 2010 as National Prematurity Awareness Month in the state of Michigan.

Whereas, Prematurity has been increasing steadily and alarmingly over the past two decades; and

Whereas, One out of eight babies is born prematurely in the United States; and

Whereas, Many premature babies will be too small and too sick to go home. Instead, facing weeks or even months in the neonatal intensive care unit (NICU); and

Whereas, Half of all neurological disabilities in children are related to premature birth and premature babies face an increased risk of serious medical complications and death. These include lasting disabilities such as cerebral palsy, mental retardation and learning problems, chronic lung disease, and vision and hearing problems; and

Whereas, Doctors have made marvelous advances in caring for babies born too small and too soon, we need to find out how to prevent preterm birth from happening in the first place; and

Whereas, Women who have had a previous preterm birth, who are pregnant with twins, triplets or more, or women with certain uterine or cervical abnormalities are more at risk to have premature births, but that preterm labor and delivery can happen to any pregnant woman; and

Whereas, Organizations, such as the March of Dimes, have worked tirelessly, through their Prematurity Campaign to raise public awareness of the problems of prematurity and to decrease the rate of preterm birth in the United States; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare November 2010 as National Prematurity Awareness Month in the state of Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Announcement by the Clerk of Printing and Enrollment

The Clerk announced the enrollment printing and presentation to the Governor on Thursday, September 16, for her approval of the following bills:

Enrolled House Bill No. 5885 at 3:42 p.m.

Enrolled House Bill No. 6247 at 3:44 p.m.

Enrolled House Bill No. 6248 at 3:46 p.m.

The Clerk announced that the following bills had been printed and placed upon the files of the members on Friday, September 17:

House Bill Nos. 6449 6450 6451 6452 6453 6454 6455 6456 6457 6458 6459 6460 6461

The Clerk announced the enrollment printing and presentation to the Governor on Friday, September 17, for her approval of the following bills:

Enrolled House Bill No. 5888 at 2:18 p.m.

Enrolled House Bill No. 5855 at 2:20 p.m.

The Clerk announced the enrollment printing and presentation to the Governor on Monday, September 20, for her approval of the following bills:

Enrolled House Bill No. 5875 at 10:58 a.m.

Enrolled House Bill No. 5883 at 11:00 a.m.

The Clerk announced that the following bills had been printed and placed upon the files of the members on Tuesday, September 21:

House Bill No. 6462

Senate Bill No. 1502

The Clerk announced that the following Senate bills had been received on Tuesday, September 21:

Senate Bill Nos. 165 478 1432

Reports of Select Committees

House Bill No. 5884, entitled

A bill to make appropriations for the department of energy, labor, and economic growth and certain other state purposes for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

(For text of conference report, see House Journal No. 80, p. 1427.)

The Senate has adopted the report of the Committee of Conference.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

Senate Bill No. 1153, entitled

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 1153, entitled

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of corrections for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

Average Michigan population.....	44,181	
Average population.....	1,320	
Full-time equated unclassified positions.....	21.0	
Full-time equated classified positions	15,856.5	
GROSS APPROPRIATION		\$ 2,007,983,600

Appropriated from:

Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		915,400
ADJUSTED GROSS APPROPRIATION		\$ 2,007,068,200

Federal revenues:

Total federal revenues.....	7,868,500
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Special revenue funds:

Total local revenues.....	443,100
Total private revenues.....	0
Total other state restricted revenues	80,327,100
State general fund/general purpose	\$ 1,918,429,500

Sec. 102. EXECUTIVE

Full-time equated unclassified positions.....	21.0	
Full-time equated classified positions	52.0	
Unclassified positions—21.0 FTE positions		\$ 1,812,100
Executive direction—52.0 FTE positions.....		6,350,200
Neal, et al. settlement agreement		10,000,000
GROSS APPROPRIATION		\$ 18,162,300

Appropriated from:

State general fund/general purpose	\$ 18,162,300
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Sec. 103. PLANNING AND COMMUNITY SUPPORT

Full-time equated classified positions	12.0	
Mental health awareness training		\$ 100,000
MPRI residential stability.....		7,251,300
MPRI employment readiness.....		7,265,100
MPRI social support.....		4,861,000
MPRI health and behavioral health		3,357,700
MPRI operations support.....		3,848,400
MPRI other projects		27,126,200
MPRI federal grants		1,035,000
Substance abuse testing and treatment services—12.0 FTE positions		24,071,900
Residential services		18,075,500
Community corrections comprehensive plans and services		13,958,000
Public education and training.....		50,000
Regional jail program.....		100
Felony drunk driver jail reduction and community treatment program		1,740,100
County jail reimbursement program.....		16,572,100
GROSS APPROPRIATION		\$ 129,312,400

Appropriated from:

Federal revenues:

DOJ, office of justice programs, RSAT.....	143,900
DOJ, prisoner reintegration	1,035,000

Special revenue funds:

Civil infraction fees.....	5,900,000
State general fund/general purpose	\$ 122,233,500

For Fiscal Year
Ending Sept. 30,
2011

Sec. 104. OPERATIONS SUPPORT ADMINISTRATION

Full-time equated classified positions	163.9	
Operations support administration—49.0 FTE positions		\$ 4,861,500
New custody staff training		3,623,800
Compensatory buyout and union leave bank.....		100
Worker’s compensation.....		16,152,800
Bureau of fiscal management—97.9 FTE positions.....		9,437,300
Office of legal services—6.0 FTE positions		1,140,700
Internal affairs—11.0 FTE positions		1,169,700
Rent		2,095,200
Equipment and special maintenance.....		2,425,500
Administrative hearings officers.....		3,631,100
Judicial data warehouse user fees		50,000
Interdepartmental grant to judiciary		1,000,000
Interdepartmental grant to legislative auditor general.....		500,000
Interdepartmental grant to corrections ombudsman		250,000
Sheriffs’ coordinating and training office		500,000
Prosecutorial and detainer expenses.....		4,051,000
GROSS APPROPRIATION		\$ 50,888,700

Appropriated from:

Interdepartmental grant revenues:

IDG-MDSP, Michigan justice training fund.....		298,400
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Special revenue funds:

Local corrections officer training fund.....		500,000
Correctional industries revolving fund		508,100
State general fund/general purpose		\$ 49,582,200

Sec. 105. FIELD OPERATIONS ADMINISTRATION

Full-time equated classified positions	2,193.9	
Field operations—2,023.9 FTE positions.....		\$ 178,661,200
Parole board operations—50.0 FTE positions.....		4,676,300
Parole/probation services.....		2,243,500
Community re-entry centers—59.0 FTE positions.....		14,762,600
Electronic monitoring center—61.0 FTE positions.....		17,156,400
GROSS APPROPRIATION		\$ 217,500,000

Appropriated from:

Special revenue funds:

Local - community tether program reimbursement.....		443,100
Re-entry center offender reimbursements.....		139,500
Parole and probation oversight fees		8,300,000
Parole and probation oversight fees set-aside		2,643,500
Public works user fees.....		249,400
Tether program participant contributions		3,033,800
State general fund/general purpose		\$ 202,690,700

Sec. 106. CORRECTIONAL FACILITIES-ADMINISTRATION

Full-time equated classified positions	1,402.8	
Correctional facilities administration—29.0 FTE positions		\$ 8,796,800
Prison food service—414.0 FTE positions.....		67,632,700
Transportation—215.6 FTE positions.....		19,201,300
Central records—53.5 FTE positions		4,178,400
DOJ psychiatric plan - MDCH mental health services		40,527,800
DOJ psychiatric plan - MDOC staff and services—149.7 FTE positions.....		17,837,800
Inmate legal services		715,900
Loans to parolees.....		179,400
Housing inmates in federal institutions		793,900

	For Fiscal Year Ending Sept. 30, 2011
Prison store operations—75.0 FTE positions	5,070,000
Prison industries operations—214.0 FTE positions	20,699,600
Education services and federal education grants—10.0 FTE positions	3,451,800
Federal school lunch program	712,800
Leased beds and alternatives to leased beds	100
Inmate housing fund.....	100
Education program—242.0 FTE positions	30,223,100
GROSS APPROPRIATION	\$ 220,021,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDCH, forensic center food service	617,000
Federal revenues:	
DAG-FNS, national school lunch.....	712,800
DED-OESE, title 1	529,100
DED-OVAE, adult education.....	903,600
DED-OSERS	109,300
DED, vocational education equipment	280,700
DED, youthful offender/Specter grant.....	1,307,400
DOJ-BOP, federal prisoner reimbursement	211,000
DOJ-OJP, serious and violent offender reintegration initiative	10,400
DOJ, prison rape elimination act grant	1,004,300
SSA-SSI, incentive payment	139,600
Special revenue funds:	
Correctional industries revolving fund	20,800,100
Resident stores.....	4,969,500
State general fund/general purpose	\$ 188,426,700
Sec. 107. HEALTH CARE	
Full-time equated classified positions	1,162.0
Health care administration—14.0 FTE positions	\$ 3,141,100
Prisoner health care services	90,095,500
Vaccination program.....	691,200
Interdepartmental grant to human services, eligibility specialists	100,000
Northern region clinical complexes—366.6 FTE positions	42,645,200
Southern region clinical complexes—781.4 FTE positions	117,057,000
GROSS APPROPRIATION	\$ 253,730,000
Appropriated from:	
Special revenue funds:	
Prisoner health care copayments	349,000
State general fund/general purpose	\$ 253,381,000
Sec. 108. NORTHERN REGION CORRECTIONAL FACILITIES	
Average Michigan population.....	18,744
Average out-of-state population.....	1,320
Full-time equated classified positions	4,613.4
Alger maximum correctional facility - Munising—268.0 FTE positions	\$ 27,066,000
Average population.....	841
Baraga maximum correctional facility - Baraga—332.1 FTE positions	31,596,600
Average population.....	863
Earnest C. Brooks correctional facility - Muskegon—453.0 FTE positions.....	45,554,500
Average population.....	2,365
Chippewa correctional facility - Kincheloe—459.4 FTE positions.....	46,324,400
Average population.....	2,118
Kinross correctional facility - Kincheloe—355.0 FTE positions	35,848,600
Average population.....	1,858
Marquette branch prison - Marquette—350.1 FTE positions.....	37,750,200
Average population.....	1,158

	For Fiscal Year Ending Sept. 30, 2011
Muskegon correctional facility - Muskegon—238.0 FTE positions.....	29,871,600
Average population.....	1,320
Newberry correctional facility - Newberry—270.9 FTE positions	26,290,600
Average population.....	1,066
Oaks correctional facility - Eastlake—309.0 FTE positions	34,067,400
Average population.....	1,074
Ojibway correctional facility - Marenisco—208.9 FTE positions	19,409,400
Average population.....	1,079
Pine River correctional facility - St. Louis—414.9 FTE positions	39,675,800
Average population.....	2,400
Pugsley correctional facility - Kingsley—224.0 FTE positions	20,894,600
Average population.....	1,329
Saginaw correctional facility - Freeland—314.8 FTE positions	31,590,300
Average population.....	1,457
St. Louis correctional facility - St. Louis—325.3 FTE positions	32,511,300
Average population.....	1,136
Northern region administration and support—90.0 FTE positions	7,023,500
GROSS APPROPRIATION	\$ 465,474,800
Appropriated from:	
Special revenue funds:	
State restricted fees, out-of-state prisoners	29,871,600
Public works user fees.....	530,200
State general fund/general purpose	\$ 435,073,000
Sec. 109. SOUTHERN REGION CORRECTIONAL FACILITIES	
Average population.....	25,437
Full-time equated classified positions	6,256.5
Bellamy Creek correctional facility - Ionia—399.4 FTE positions	\$ 39,211,800
Average population.....	1,820
Carson City correctional facility - Carson City—458.1 FTE positions	46,718,900
Average population.....	2,300
Cooper street correctional facility - Jackson—275.9 FTE positions.....	28,744,600
Average population.....	1,725
G. Robert Cotton correctional facility - Jackson—405.5 FTE positions	39,188,800
Average population.....	1,846
Charles E. Egeler correctional facility - Jackson—358.3 FTE positions.....	39,368,200
Average population.....	1,208
Richard A. Handlon correctional facility - Ionia—235.4 FTE positions	23,935,300
Average population.....	1,262
Gus Harrison correctional facility - Adrian—450.7 FTE positions	45,605,000
Average population.....	2,196
Huron Valley correctional complex - Ypsilanti—564.7 FTE positions	58,047,600
Average population.....	1,790
Ionia maximum correctional facility - Ionia—306.7 FTE positions	30,727,100
Average population.....	654
Lakeland correctional facility - Coldwater—474.8 FTE positions.....	46,453,600
Average population.....	2,466
Macomb correctional facility - New Haven—307.3 FTE positions.....	29,853,100
Average population.....	1,244
Maxey/Woodland Center correctional facility - Whitmore Lake—272.2 FTE positions	25,519,200
Average population.....	328
Michigan reformatory - Ionia—323.1 FTE positions.....	32,613,000
Average population.....	1,261
Mound correctional facility - Detroit—286.4 FTE positions	25,528,000
Average population.....	1,035

	For Fiscal Year Ending Sept. 30, 2011
Parnall correctional facility - Jackson—269.2 FTE positions.....	27,190,500
Average population.....	1,678
Ryan correctional facility - Detroit—284.8 FTE positions.....	28,807,100
Average population.....	1,048
Thumb correctional facility - Lapeer—288.0 FTE positions	29,427,800
Average population.....	1,176
Special alternative incarceration program (Camp Cassidy Lake)—120.0 FTE positions	10,965,800
Average population.....	400
Southern region administration and support—176.0 FTE positions	22,928,100
GROSS APPROPRIATION	\$ 630,833,500
Appropriated from:	
Federal revenues:	
DOJ, state criminal alien assistance program.....	1,481,400
Special revenue funds:	
Public works user fees.....	1,754,000
State general fund/general purpose	\$ 627,598,100
Sec. 110. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 22,060,400
GROSS APPROPRIATION	\$ 22,060,400
Appropriated from:	
Special revenue funds:	
Correctional industries revolving fund	158,400
Parole and probation oversight fees set-aside	620,000
State general fund/general purpose	\$ 21,282,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$1,998,756,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$92,562,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations - assumption of county probation staff.....	\$ 51,579,200
Public service work projects	5,140,200
Community corrections comprehensive plans and services	13,958,000
Community corrections residential services.....	18,075,500
Community corrections public education and training.....	50,000
Felony drunk driver jail reduction and community treatment program	1,740,100
Community re-entry centers	2,019,600
Regional jail program.....	100
TOTAL.....	\$ 92,562,700

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

Sec. 203. As used in this act:

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

(b) “Cost per prisoner” means the sum total of the funds appropriated under part 1 for the following, divided by the projected prisoner population in fiscal year 2010-2011:

- (i) Northern and southern region correctional facilities.
- (ii) Northern and southern region administration and support.
- (iii) Northern and southern region clinical complexes.
- (iv) Prisoner health care services.
- (v) Health care administration.
- (vi) Vaccination program.
- (vii) Prison food service and federal school lunch program.

- (viii) Transportation.
- (ix) Inmate legal services.
- (x) Correctional facilities administration.
- (xi) Central records.
- (xii) DOJ psychiatric plan.
- (xiii) Worker's compensation.
- (xiv) New custody staff training.
- (xv) Prison store operations.
- (xvi) Education services and federal education grants.
- (xvii) Education program.
- (c) "DAG" means the United States department of agriculture.
- (d) "DAG-FNS" means the DAG food and nutrition service.
- (e) "DED" means the United States department of education.
- (f) "DED-OESE" means the DED office of elementary and secondary education.
- (g) "DED-OSERS" means the DED office of special education and rehabilitative services.
- (h) "DED-OVAE" means the DED office of vocational and adult education.
- (i) "Department" or "MDOC" means the Michigan department of corrections.
- (j) "DOJ" means the United States department of justice.
- (k) "DOJ-BOP" means the DOJ bureau of prisons.
- (l) "DOJ-OJP" means the DOJ office of justice programs.
- (m) "Evidence-based practices" or "EBP" means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.
- (n) "FTE" means full-time equated.
- (o) "GED" means general educational development certificate.
- (p) "Goal" means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce repeat offending, criminogenic and high-risk behaviors, prison commitment rates, to reduce the length of stay in a jail, or to improve the utilization of a jail.
- (q) "GPS" means global positioning system.
- (r) "HIV" means human immunodeficiency virus.
- (s) "IDG" means interdepartmental grant.
- (t) "IDT" means intradepartmental transfer.
- (u) "Jail" means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.
- (v) "MDCH" means the Michigan department of community health.
- (w) "Medicaid benefit" means a benefit paid or payable under a program for medical assistance under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.
- (x) "MDSP" means the Michigan department of state police.
- (y) "MPRI" means the Michigan prisoner reentry initiative.
- (z) "Objective risk and needs assessment" means an evaluation of an offender's criminal history; the offender's non-criminal history; and any other factors relevant to the risk the offender would present to the public safety, including, but not limited to, having demonstrated a pattern of violent behavior, and a criminal record that indicates a pattern of violent offenses.
- (aa) "Offender eligibility criteria" means particular criminal violations, state felony sentencing guidelines descriptors, and offender characteristics developed by advisory boards and approved by local units of government that identify the offenders suitable for community corrections programs funded through the office of community corrections.
- (bb) "Offender success" means that an offender has done all of the following:
 - (i) Regularly reported to his or her assigned field agent.
 - (ii) Is participating in or has successfully completed all required substance abuse, mental health, sex offender, or other treatment as approved by the field agent.
 - (iii) Not sent or returned to prison for the conviction of a new crime or the revocation of probation or parole.
 - (iv) Not been sentenced to a jail term for a new criminal offense.
 - (v) Obtained employment, has enrolled or participated in a program of education or job training, or has investigated all bona fide employment opportunities.
 - (vi) Obtained housing.
- (cc) "Offender target population" means felons or misdemeanants who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not likely increase the risk to the public safety based on an objective risk and needs assessment that indicates that the offender can be safely treated and supervised in the community.

(dd) "Offender who would likely be sentenced to imprisonment" means either of the following:

(i) A felon or misdemeanor who receives a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail, according to historical local sentencing patterns.

(ii) A currently incarcerated felon or misdemeanor who is granted early release from incarceration to a community corrections program or who is granted early release from incarceration as a result of a community corrections program.

(ee) "Programmatic success" means that the department program or initiative has ensured that the offender has accomplished all of the following:

(i) Obtained employment, has enrolled or participated in a program of education or job training, or has investigated all bona fide employment opportunities.

(ii) Obtained housing.

(iii) Obtained a state identification card.

(ff) "Recidivism" means any of the following:

(i) The arrest and conviction of a supervised individual for a new offense while under community supervision.

(ii) The adjudication of a supervised individual for a violation of the conditions of supervision while under community supervision.

(iii) A sanction resulting from a violation of terms of supervision that results in a return to prison without being adjudicated.

(gg) "RSAT" means residential substance abuse treatment.

(hh) "Serious emotional disturbance" means that term as defined in section 100d(2) of the mental health code, 1974 PA 328, MCL 330.1100d.

(ii) "Serious mental illness" means that term as defined in section 100d(3) of the mental health code, 1974 PA 328, MCL 330.1100d.

(jj) "SSA" means the United States social security administration.

(kk) "SSA-SSI" means SSA supplemental security income.

Sec. 204. The civil service commission shall bill departments and agencies at the end of the first fiscal quarter for the charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 204a. (1) The department shall collaborate with the civil service commission and the department of civil service to review the compensation rates for health care professionals who provide direct health care services to prisoners within the corrections system, including, but not limited to, doctors, all nursing professionals, pharmacists, pharmacy technicians, and psychologists. The review shall include health care professionals employed by the state as well as those employed through state contractors. These rates shall be compared to available data on compensation rates for comparable medical professionals in the private sectors who provide services to the general public to estimate any disparity in compensation.

(2) Following the review, the department shall make recommendations on changes needed to the state compensation plan for health care professional positions and to department contracts with health care providers so that compensation levels are sufficient to ensure that needed health care professional positions with vacancies are filled, that the department experiences adequate retention levels for these positions, and that necessary health care services are delivered in a timely manner to the prisoner population. A report outlining these recommendations shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget office by May 1, 2011.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to the hiring freeze when the state budget director believes that this hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 206. The department shall not engage in intimidation or take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 207. At least 90 days before beginning any effort to privatize, except for the current effort to privatize and contract for prisoner mental health services that is necessitated by the critical need for prisoner mental health treatment staff, the department shall submit a complete project plan to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house appropriations

subcommittees and the senate and house fiscal agencies within 30 months. In the case of the current effort to privatize and contract for prisoner mental health services, the department shall submit a complete project plan to the appropriate senate and house appropriations committee chairs and appropriate senate and house appropriations subcommittee chairs as well as the senate and house fiscal agencies and state budget office 10 days prior to beginning the effort.

Sec. 207a. (1) Before privatizing any services or activities currently provided by state employees in the department, except for the privatization of prisoner mental health services that is necessitated by a critical shortage of mental health professional staff, the department shall submit to the senate and house appropriations committees a preprivatization cost-benefit analysis. This analysis shall utilize accurate, reliable, and objective data. Included in this analysis shall be a comparative estimate of the costs that will be incurred by this state over the life of the contract if 1 or both of the following occur:

(a) The service or activity continues to be provided by state employees.

(b) The service or activity is privatized. The costs of privatizing these services shall include the costs of all necessary monitoring and oversight of the private entity by this state.

(2) The department shall not commence any efforts to privatize the services or activities currently provided by state employees under part 1, except for prisoner mental health services, until the cost-benefit analysis prescribed by subsection (1) has been sent to both the senate and house appropriations committees 14 days prior to the efforts to privatize, and proves a cost savings equivalent to the savings specified in civil service rules for disbursement for personal services outside the civil service. Before awarding a contract for the provision of prisoner mental health treatment services, a cost-benefit analysis shall be completed as specified in subsection (1) and submitted to the appropriate senate and house appropriations committee chairs and appropriate senate and house appropriations subcommittee chairs as well as the senate and house fiscal agencies and state budget office not less than 7 days prior to awarding a contract.

(3) In all cases in which a service or activity is privatized, including the provision of prisoner mental health services, the private entity shall be adequately bonded, so as not to expose the state to any potential future liability or legal causes of action.

(4) A private contractor with a contract with this state that expends state or federal tax dollars shall have all records pertinent to state contracts, including all records detailing compliance with section 209, be subject to disclosure to the department or the department of management and budget.

(5) State employees shall be given the opportunity to bid on contracts that privatize services that are or were provided by state employees. If the contract is awarded to any state employee, he or she ceases being an employee of the state.

Sec. 208. The department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site. There shall be at least 1 separate and distinct electronic file for each section that includes a reporting requirement.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if comparable quality American goods or services, or both, that do not cost more than 5% greater than foreign goods or services are available. Preference shall be given to produce, goods or services, or both, grown, processed, manufactured, or provided by Michigan businesses if they are of comparable quality and do not cost more than 5% greater than non-Michigan manufactured or provided goods or services. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. (1) Individuals seeking employment with the department shall submit to a controlled substance test administered by the department under civil service rules and regulations and applicable collective bargaining agreements.

(2) The department shall deny employment to individuals seeking employment with the department who violate subsection (1) or who submit to testing under subsection (1) but test positive for the illicit use of a controlled substance.

Sec. 211. (1) The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, and union steward activities. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

(2) If a parolee or probationer has been ordered to pay restitution, the department shall ensure that payment is a condition of his or her community supervision. Restitution payments shall be made as provided in section 22 of chapter XV of the code of criminal procedure, 1927 PA 175, MCL 775.22. The department shall collect not more than 50% of all money collected from parolees and probationers for payments other than victim payments, as that term is defined in section 22 of chapter XV of the code of criminal procedure, 1927 PA 175, MCL 775.22.

Sec. 212. (1) On a quarterly basis, each executive branch department and agency receiving appropriations in part 1 shall report on the number of full-time equated positions in pay status by civil service classification to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies.

(2) From the funds appropriated in part 1, each executive branch department and agency shall develop, post, and maintain on a user-friendly and publicly accessible Internet site all expenditures made by the departments and agencies

within a fiscal year. The posting shall include the purpose for which each expenditure is made. Funds appropriated in part 1 from the federal American recovery and reinvestment act of 2009, Public Law 111-5, shall also be included on a publicly accessible website maintained by the Michigan economic recovery office. Departments and agencies shall not provide financial information on their websites under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that section.

Sec. 213. By February 15, 2011, the department shall provide the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a report detailing non-general fund/general purpose sources of revenue, including, but not limited to, federal revenues, state restricted revenues, local and private revenues, offender reimbursements and other payments, revolving funds, and 1-time sources of revenue, whether or not those revenues were appropriated. The report shall include statements detailing for each account the total amount of revenue received during fiscal year 2009-2010, the amount by which the revenue exceeded any applicable appropriated fund source, the amount spent during fiscal year 2009-2010, the account balance at the close of fiscal year 2009-2010, and the projected revenues and expenditures for fiscal year 2010-2011.

Sec. 214. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of technology, management, and budget for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the department and the department of technology, management, and budget.

Sec. 215. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support department of corrections technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 216. (1) Due to the current budgetary problems of this state, out-of-state travel for the fiscal year ending September 30, 2011 shall be limited to situations in which 1 or more of the following conditions apply:

- (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states for similar reasons.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, or both, including protecting existing federal funds or securing additional federal funds.
- (d) The travel is necessary to comply with federal requirements.
- (e) The travel is necessary to secure specialized training for staff that is not available within this state.
- (f) The travel is financed entirely by federal or nonstate funds.

(2) Not later than January 1, 2011, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.
- (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 217. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in deprived and depressed communities for services, supplies, or both. The director of the department shall strongly encourage certified firms with which the department contracts to provide services or supplies, or both, in deprived and depressed communities to help parolees or probationers progress to success by hiring, participating with MPRI training programs, or assisting with other community involvement opportunities.

Sec. 219. Any contract for prisoner telephone services entered into after the effective date of this act shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.

Sec. 222. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes. If outside counsel is utilized, the department shall provide a detailed report to the legislature specifying expenditures incurred.

Sec. 223. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 224. By March 1, 2011, the department shall provide a litigation report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The report shall identify all lawsuits adjudicated through the trial court phase in which the department or an employee acting on behalf of the department was a defendant and in which trial court proceedings resulted in a decision of \$250,000.00 or more against the department.

Sec. 225. (1) The department shall make every effort to place employees displaced by any reductions in force within other positions in the department.

(2) It is the intent of the legislature that all employees displaced by any reductions in force who are not placed within other positions in the department be given priority in state programs for job retraining or education, such as the no worker left behind program.

Sec. 230. (1) From the funds appropriated in part 1, the department shall complete the study required by section 230 of 2008 PA 245. The study shall cover at least 1 county jail in each of the department's 3 administrative regions within the state and at a minimum shall be based on a representative random sample of county jail inmates. To the extent that such information would not conflict with state law on confidentiality for inmates included in the study, at a minimum, the study shall be sufficient to provide all of the information required by subsection (2). In the process of study design, development, and implementation, the department shall assure involvement of and consultation from counties, sheriffs, prosecutors, victims, and consumer, family, advocacy, provider, and professional groups concerned with mental health and justice issues. The methodological basis for the study shall include all of the following:

- (a) Diagnostic clinical interviews with all of the inmates in the study.
- (b) Reviews of the criminal history records of all of the inmates in the study.
- (c) Reviews of the medical and mental health records of all of the inmates in the study, as available.

(2) By September 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the results and findings of the study, including, at a minimum, information on all of the following, to the extent that the information does not conflict with state law on confidentiality for the inmates included in the study:

- (a) Study methodology, including information on the sample size and counties sampled.

(b) The proportion of county jail inmates with a primary diagnosis of mental illness, the proportion of inmates with a primary diagnosis of addiction disorder, and the proportion of inmates with a dual diagnosis of mental illness and addiction disorder.

- (c) For each category of inmates listed in subdivision (b), all of the following information:

(i) The proportion considered to currently require treatment and the percentage in need of treatment who are currently receiving it. Information on inmates currently receiving treatment shall identify whether the inmates are receiving inpatient, residential, or outpatient treatment. Treatment information on inmates with a dual diagnosis shall identify whether inmates are receiving mental health inpatient, mental health residential, mental health outpatient, substance abuse residential, or substance abuse outpatient treatment.

(ii) Data indicating how many inmates previously had been hospitalized in a state or private psychiatric hospital for persons with mental illness.

(iii) Data indicating whether and with what frequency inmates previously had been incarcerated in a jail or committed to the department of corrections.

(iv) Data indicating whether inmates previously had received services managed by a community mental health program or substance abuse coordinating agency.

Sec. 232. By April 1, 2011, the department shall report to the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a listing of Michigan vendors whose contracts were canceled or reduced in favor of single-source contracts from vendors based outside of Michigan. The report shall provide information for fiscal years 2008-2009 and 2009-2010 and shall include pertinent contract amounts.

Sec. 235. It is the intent of the legislature that the department reduce expenditures using the following strategies:

(a) Following the recommendations outlined in audit report 471-0130-08 of June 2009 issued by the Michigan office of the auditor general, which found \$7,534,039.00 in known savings that would have been achieved through cost-neutral operation of the bureau of correctional industries, as follows:

(i) Finding 1 indicates that the bureau of correctional industries has consistently failed to maintain profitable or cost-neutral operations.

(ii) Finding 2 indicates that the bureau of correctional industries had not developed or implemented a comprehensive business plan.

(iii) Finding 3 indicates that the bureau of correctional industries did not efficiently schedule and utilize its trucks and drivers for delivery of products and services.

(iv) Finding 4 indicates that the bureau of correctional industries had not established comprehensive policies and procedures for setting prices and discounts for products and services.

(b) Continuing the supply chain transformation (SCT) with the new fiscal year beginning October 1, 2010. The SCT shall address all goods and services delivered into the department, with special focus in the following areas: food service, offender transport, warehousing, prisoner stores, laundries, textiles, transportation, reverse logistics, Michigan state industries manufacturing and related material, and capital and service purchase contracts under development or due to expire. The department shall continually detail its supply chain strategy and implementation plan including tasks, timing, resources, costs, and benefits to be achieved. The department shall provide quarterly cost and benefit savings report information. The department shall contract with a world-class supply chain external resource with the following capabilities: demonstrated success working in a department of corrections environment in the targeted supply chain areas of focus; demonstrated expertise in defining, developing, and implementing cross-functional infrastructures; continuous quality improvement teams; stakeholder and communications outreach programs; six sigma/lean tools and templates; hands-on supply chain; continuous quality improvement and six sigma tool training; and positive working relations and measurable, documented client satisfaction results.

(c) Following the recommendations outlined in audit report 471-0620-07L of October 2008 issued by the Michigan office of the auditor general, which found \$14,800,000.00 in estimated savings that could be achieved through reforms of the department's staffing and purchasing policies, as follows:

(i) Finding 1 indicates that the department needs to improve its administration of custody officer staffing.

(ii) Finding 2 indicates that the department needs to pursue additional cost-saving measures through future contract negotiations and review of its organizational structure.

(iii) Finding 3 indicates that the department did not have a formal process in place to negotiate prices for goods and services purchased from Michigan state industries.

(d) Following the recommendations outlined in audit report 471-0623-07L of December 2008 issued by the Michigan office of the auditor general, which found significant but indeterminate savings could be achieved through reforms of prisoner transportation policies, specifically, finding 4 indicates that the department should continue to seek the cooperation of the state court administrative office and its medical service providers to fully use existing technology to conduct videoconferencing for court and medical appointments.

Sec. 236. It is the intent of the legislature that from the revenue resulting from the sale of the former Scott correctional facility sufficient funds shall be appropriated to the department to reimburse Michigan state industries for costs related to the construction of the Industries Building, which was operated by Michigan state industries on the site of the Scott correctional facility.

EXECUTIVE

Sec. 301. (1) For 3 years after a felony offender is released from the department's jurisdiction, the department shall maintain the offender's file on the offender tracking information system and make it publicly accessible in the same manner as the file of the current offender. However, the department shall immediately remove the offender's file from the offender tracking information system upon determination that the offender was wrongfully convicted and the offender's file is not otherwise required to be maintained on the offender tracking information system.

(2) Information removed from the offender tracking information system due to the expiration of 3 years following release of an offender from the department's jurisdiction shall be retained by the department and maintained in a password-protected archive. Effective October 1, 2009, information in the archive shall be made available upon payment of a fee as determined by the department. Revenue collected under this section is appropriated for the costs of the offender tracking information system, and any revenue collected in excess of the costs of maintaining the offender tracking information system is appropriated for information technology costs. The department shall report on March 1, 2011 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the fees charged and revenue collected under this section.

Sec. 302. The department shall provide a report to the members of the senate and house appropriations subcommittees on corrections and community health, the senate and house fiscal agencies, MDCH, and the state budget director by May 1, 2011 reviewing actions taken to implement the recommendations of the mental health study required under section 302

of 2007 PA 124 with which it agrees and an explanation of any disagreements with recommendations. It is the intent of the legislature to review the department's implementation plan and, in coordination with the department, to identify funds with which to implement the plan, as appropriate.

Sec. 303. It is the intent of the legislature that the quantity of database systems in use by the department be optimal for efficient data usage and communications. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of the plan to implement secure, encrypted, Internet-based database systems that can electronically communicate with each other and with other law-enforcement-related databases by September 30, 2011.

Sec. 304. The director of the department shall maintain a staff savings initiative program to invite employees to submit suggestions for saving costs for the department. The department shall report semiannually to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the suggestions submitted under this section, the implementation plan for those suggestions with which the department agrees, and an explanation of any disagreements with suggestions.

Sec. 305. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the number of prisoners who committed suicide during the previous calendar year. To the extent permitted by law, the report shall include all of the following information:

- (a) The prisoner's age, offense, sentence, and admission date.
- (b) Each prisoner's facility and unit.
- (c) A description of the circumstances of the suicide.
- (d) The date of the suicide.
- (e) Whether the suicide occurred in a housing unit, a segregation unit, a mental health unit, or elsewhere on the grounds of the facility.
- (f) Whether the prisoner had been denied parole and the date of any denial.
- (g) Whether the prisoner had received a mental health evaluation or assessment.
- (h) Details on the department's responses to each suicide, including immediate on-site responses and subsequent internal investigations.
- (i) A description of any monitoring and psychiatric interventions that had been undertaken prior to the prisoner's suicide, including any changes in placement or mental health care.
- (j) Whether the prisoner had previously attempted suicide.

PLANNING AND COMMUNITY SUPPORT

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates concurrent with submission of the executive budget to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The report shall include explanations of the methodology and assumptions used in developing the projection updates.

Sec. 402. It is the intent of the legislature that the funds appropriated in part 1 for prisoner reintegration programs be expended for the purpose of reducing victimization by reducing repeat offending through the following prisoner reintegration programming:

- (a) The provision of employment or employment services and job training.
- (b) The provision of housing assistance.
- (c) Referral to mental health services.
- (d) Referral to substance abuse services.
- (e) Referral to public health services.
- (f) Referral to education.
- (g) Referral to any other services necessary for successful reintegration.

Sec. 403. By March 1, 2011, the department shall provide a report on MPRI expenditures and allocations to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. At a minimum, the report shall include information on both of the following:

- (a) Details on prior-year expenditures, including amounts spent on each project funded, itemized by service provided and service provider.
- (b) Allocations and projected expenditures for each project funded and for each project to be funded, itemized by service to be provided and service provider.

Sec. 403a. (1) In collaboration with a technical committee composed of representatives from the department, designees of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the justice center of the council of state governments, the department shall develop a performance-based dashboard tracking and reporting system that establishes key indicators of the success and failure of offenders. Indicators shall reflect the status of and trends in key program elements, behavior improvements on the part of offenders, and whether targeted goals are being met.

(2) By April 1, 2011, the department shall report dashboard data to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director.

Sec. 404. (1) The department shall screen and assess each prisoner for alcohol and other drug involvement to determine the need for further treatment. The assessment process shall be designed to identify the severity of alcohol and other drug addiction and determine the treatment plan, if appropriate.

(2) The department shall provide substance abuse treatment to prisoners with priority given to those prisoners who are most in need of treatment and who can best benefit from program intervention based on the screening and assessment provided under subsection (1).

Sec. 405. (1) In expending residential substance abuse treatment services funds appropriated under this act, the department shall ensure to the maximum extent possible that residential substance abuse treatment services are available statewide.

(2) Of the funds appropriated in part 1 for substance abuse testing and treatment services, at least \$5,000,000.00 shall be utilized to operate residential substance abuse treatment programs around the state.

(3) By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the allocation, distribution, and expenditure of all funds appropriated by the substance abuse testing and treatment line item during fiscal year 2009-2010 and projected for fiscal year 2010-2011. The report shall include, but not be limited to, an explanation of an anticipated year-end balance, the number of participants in substance abuse programs, and the number of offenders on waiting lists for residential substance abuse programs. Information required under this subsection shall, where possible, be separated by MDOC administrative region and by offender type, including, but not limited to, a distinction between prisoners, parolees, and probationers.

(4) By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on substance abuse testing and treatment program objectives, outcome measures, and results, including program impact on offender success and programmatic success as those terms are defined in section 203.

Sec. 405a. The department shall work cooperatively with MDCH and substance abuse coordinating agencies in referring offenders as appropriate to intensive substance abuse services, including residential services.

Sec. 407. (1) By June 30, 2011, the department shall place the 2010 statistical report on an Internet site. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

(2) It is the intent of the legislature that starting with calendar year 2010, the statistical report be placed on an Internet site within 6 months after the end of each calendar year.

Sec. 408. The department shall measure the recidivism rates of offenders using at least a 3-year period following their release from prison.

Sec. 409. The office of community corrections shall provide and coordinate the delivery and implementation of services in communities to facilitate successful offender reintegration into the community. Programs and services to be offered shall include, but are not limited to, technical assistance for comprehensive corrections plan development, new program start-up funding, program funding for those programs delivering services for eligible offenders in geographic areas identified by the office of community corrections as having a shortage of available services, technical assistance, referral services for education, employment services, and substance abuse and family counseling.

Sec. 410. (1) The funds included in part 1 for community corrections comprehensive plans and services are to encourage the development through technical assistance grants, implementation, and operation of community corrections programs that enhance offender success and that also may serve as an alternative to incarceration in a state facility or jail. The comprehensive corrections plans shall include an explanation of how the public safety will be maintained, the goals for the local jurisdiction, offender target populations intended to be affected, offender eligibility criteria for purposes outlined in the plan, and how the plans will meet the following objectives, consistent with section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

(a) Reduce admissions to prison of offenders who would likely be sentenced to imprisonment, including probation violators.

(b) Improve the appropriate utilization of jail facilities, the first priority of which is to open jail beds intended to house otherwise prison-bound felons, and the second priority being to appropriately utilize jail beds so that jail crowding does not occur.

(c) Open jail beds through the increase of pretrial release options.

(d) Reduce the readmission to prison of parole violators.

(e) Reduce the admission or readmission to prison of offenders, including probation violators and parole violators, for substance abuse violations.

(f) Contribute to offender success, as that term is defined in section 203.

(2) The award of community corrections comprehensive plans and residential services funds shall be based on criteria that include, but are not limited to, the prison commitment rate by category of offenders, trends in prison commitment

rates and jail utilization, historical trends in community corrections program capacity and program utilization, and the projected impact and outcome of annual policies and procedures of programs on offender success, prison commitment rates, and jail utilization.

(3) Funds awarded for residential services in part 1 shall provide for a per diem reimbursement of not more than \$47.50 for nonaccredited facilities, or of not more than \$48.50 for facilities that have been accredited by the American corrections association or a similar organization as approved by the department.

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, that contribute to the success of offenders. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDCH for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

Sec. 412. (1) As part of the March biannual report specified in section 12(2) of the community corrections act, 1988 PA 511, MCL 791.412, that requires an analysis of the impact of that act on prison admissions and jail utilization, the department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director the following information for each county and counties consolidated for comprehensive corrections plans:

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

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

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

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

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

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

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

Sec. 413. (1) The department shall identify and coordinate information regarding the availability of and the demand for community corrections programs, jail-based community corrections programs, jail-based probation violation sanctions, and all state-required jail data.

(2) The department is responsible for the collection, analysis, and reporting of all state-required jail data.

(3) As a prerequisite to participation in the programs and services offered through the department, counties shall provide necessary jail data to the department.

Sec. 414. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons who otherwise would have been sentenced to prison.

(2) Counties shall be given the option of choosing from 1 of 2 eligibility and reimbursement standards as described in this subsection for the county jail reimbursement program. The department shall submit to each county a county jail reimbursement application form by October 1, 2010 that explains the 2 eligibility and reimbursement standards and shall request that the county submit a decision to the department regarding the standard it elects to utilize for the operation of the county's program. Counties shall submit their decision to the department by October 15, 2010, and shall not be allowed to revise this decision after submission. A county shall not be reimbursed for any services provided after October 15, 2010 unless that county has submitted a decision on the eligibility and reimbursement standards to the department. The department shall offer counties the option to choose between the eligibility and reimbursement standards outlined below:

(a) The standards outlined in subsections (2) and (3) of section 414 of 2008 PA 245 as outlined below:

(i) The county jail reimbursement program shall reimburse counties for housing and custody of convicted felons if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

(A) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more

points, and the felon's sentence is not for commission of a crime in crime class G or crime class H under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(B) The felon's minimum sentencing guidelines range minimum is more than 12 months under the sentencing guidelines described in sub-subparagraph (A).

(i) State reimbursement under this subdivision for prisoner housing and custody expenses per diverted offender shall be \$43.50 per diem for up to a 1-year total.

(b) The standards outlined and defined in subsections (2), (3), and (6) of section 301 of 2010 PA 89 as outlined below:

(i) The county jail reimbursement program shall reimburse counties for convicted felons in the custody of the sheriff if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

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

(B) The felon's minimum sentencing guidelines range minimum is more than 12 months under the sentencing guidelines described in sub-subparagraph (A).

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

(i) State reimbursement under this subdivision shall be \$60.00 per diem per diverted offender for offenders with a presumptive prison guideline score, \$50.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 1 crime, and \$35.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 2 crime. Reimbursements shall be paid for sentences up to a 1-year total.

(iii) As used in this subdivision:

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

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

(C) "In the custody of the sheriff" means that the convicted felon has been sentenced to the county jail and is either housed in the county jail or has been released from jail and is being monitored through the use of the sheriff's electronic monitoring system.

(3) Except as otherwise provided in subsection (4), county jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. By October 15, 2010, the department shall distribute the documentation requirements to all counties.

(4) By May 1, 2011, the subcommittee chair of the chamber that sponsored the current fiscal year budget act for the department shall convene a reimbursement committee consisting of the chairs of the senate and house appropriations subcommittees on corrections, 1 representative from the department of corrections, the state budget office, the Michigan association of counties, and the Michigan sheriffs association for the purpose of reviewing payment of all eligible and properly documented reimbursement requests that comply with the reimbursement criteria in subsection (2)(b) for counties that elected that eligibility and reimbursement standard. If the committee determines that the current appropriation will not cover all eligible reimbursement costs, the state budget office shall request a legislative transfer from other appropriation line items in the department budget to the county jail reimbursement program line item to cover the additional costs.

Sec. 416. (1) Funds included in part 1 for the felony drunk driver jail reduction and community treatment program are appropriated for and may be expended for any of the following purposes:

(a) To increase availability of treatment options to reduce drunk driving and drunk driving-related deaths by addressing the alcohol addiction of felony drunk drivers who otherwise likely would be sentenced to jail or a combination of jail and other sanctions.

(b) To divert from jail sentences or to reduce the length of jail sentences for felony drunk drivers who otherwise would have been sentenced to jail and whose recommended minimum sentence ranges under sentencing guidelines established under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, have upper limits of

18 months or less or the lower limit of the sentencing range is 1 year or less and the upper limit of the range is more than 18 months and the prior record variable is less than 35 points, through funding programs that may be used in lieu of incarceration and that increase the likelihood of rehabilitation.

(c) To provide a policy and funding framework to make additional jail space available for housing convicted felons whose recommended minimum sentence ranges under sentencing guidelines established under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, have lower limits of 12 months or less and who likely otherwise would be sentenced to prison, with the aim of enabling counties to meet or exceed amounts received through the county jail reimbursement program during fiscal year 2002-2003 and reducing the numbers of felons sentenced to prison.

(2) Expenditure of funds included in part 1 for the felony drunk driver jail reduction and community treatment program shall be by grant awards consistent with standards developed by a committee of the state community corrections advisory board. The chairperson of the committee shall be the board member representing county sheriffs. Remaining members of the committee shall be appointed by the chairperson of the board.

(3) In developing annual standards, the committee shall consult with interested agencies and associations. Standards developed by the committee shall include application criteria, performance objectives and measures, funding allocations, and allowable uses of the funds, consistent with the purposes specified in this section.

(4) Allowable uses of the funds shall include reimbursing counties for transportation, treatment costs, and housing felony drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

(5) The standards developed by the committee shall assign each county a maximum funding allocation based on the amount the county received under the county jail reimbursement program in fiscal year 2001-2002 for housing felony drunk drivers whose recommended minimum sentence ranges under the sentencing guidelines described in subsection (1)(c) had upper limits of 18 months or less.

(6) Awards of funding under this section shall be provided consistent with the local comprehensive corrections plans developed under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414. Funds awarded under this section may be used in conjunction with funds awarded under grant programs established under that act. Due to the need for felony drunk drivers to be transitioned from county jails to community treatment services, it is the intent of the legislature that local units of government utilize funds received under this section to support county sheriff departments.

(7) As used in this section, "felony drunk driver" means a felon convicted of operating a motor vehicle under the influence of intoxicating liquor or a controlled substance, or both, third or subsequent offense, under section 625(9)(c) of the Michigan vehicle code, 1949 PA 300, MCL 257.625, or its predecessor statute, punishable as a felony.

Sec. 417. (1) By March 1, 2011, the department shall report to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on each of the following programs from the previous fiscal year:

(a) The county jail reimbursement program.

(b) The felony drunk driver jail reduction and community treatment program.

(c) Any new initiatives to control prison population growth funded or proposed to be funded under part 1.

(2) For each program listed under subsection (1), the report shall include information on each of the following:

(a) Program objectives and outcome measures, including, but not limited to, the number of offenders who successfully completed the program, and the number of offenders who successfully remained in the community during the 3 years following termination from the program.

(b) Expenditures by location.

(c) The impact on jail utilization.

(d) The impact on prison admissions.

(e) Other information relevant to an evaluation of the program.

Sec. 418. (1) The department shall collaborate with the state court administrative office on facilitating changes to Michigan court rules that would require the court to collect at the time of sentencing the state operator's license, state identification card, or other documentation used to establish the identity of the individual to be admitted to the department. The department shall maintain those documents in the prisoner's personal file.

(2) The department shall collaborate with the Michigan department of state to ensure that an achievable list of documents necessary to obtain a state operator's license or state identification card upon parole or release is developed and presented to the prisoner so that application for identification can begin prior to a prisoner's discharge or parole hearing. The process for prisoners to acquire this documentation shall be part of the department's operating procedure.

(3) The department shall cooperate with MDCH to create and maintain a process by which prisoners can obtain their Michigan birth certificates if necessary. The department shall describe a process for obtaining birth certificates from other states, and in situations where the prisoner's effort fails, the department shall assist in obtaining the birth certificate.

(4) By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director on the plan for

implementing all necessary processes and policy changes in order to ensure compliance with the requirements of this section.

Sec. 419. (1) The department shall provide weekly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoner, parolee, and probationer populations by facility, and prison capacities.

(2) The department shall provide monthly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The reports shall include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

- (a) Community residential program populations, separated by centers and electronic monitoring.
- (b) Parole populations.
- (c) Probation populations, with identification of the number in special alternative incarceration.
- (d) Prison and camp populations, with separate identification of the number in special alternative incarceration and the number of lifers.
- (e) Parole board activity, including the numbers and percentages of parole grants and parole denials.
- (f) Prisoner exits, identifying transfers to community placement, paroles from prisons and camps, paroles from community placement, total movements to parole, prison intake, prisoner deaths, prisoners discharging on the maximum sentence, and other prisoner exits.
- (g) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new sentences, total prison intake, returns from court with additional sentences, community placement returns, technical parole violator returns, and total returns to prison and camp.

Sec. 420. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house judiciary committees, the senate and house fiscal agencies, and the state budget director on performance data and efforts to improve efficiencies relative to departmental staffing, health care services, food service, prisoner transportation, mental health care services, and pharmaceutical costs.

Sec. 421. Of the funds appropriated in part 1, \$100,000.00 is appropriated for the purpose of providing an IDG to the MDSP for the purpose of providing grants for training teams of law enforcement officers and mental health treatment providers. The teams shall be trained in effective and safe ways of assisting people with mental illness during law enforcement contacts and directing people with mental illness to treatment programs. Mental health awareness training shall be incorporated into continuing education for all law enforcement officers in the state.

Sec. 422. It is the intent of the legislature that MPRI programs from prisoner entry into the corrections system to reentry into the community and as measured by offender success and programmatic success as those terms are defined in section 203 shall be maintained as standard operating procedure in the department. In particular, services should be focused on moderate- to high-risk individuals. Special in-prison programming shall be directed to those prisoners who were paroled and have returned to prison and who will subsequently be eligible for parole again in the future. In addition, MPRI services provided to prisoners shall include basic computer skills training.

Sec. 424. (1) From the funds appropriated in part 1 for residential services, the department shall develop and implement, in collaboration with the judiciary and as approved by the state court administrative office, a demonstration project based on evidence-based practices related to judicial and case management interventions that have been proven to increase public safety for high-risk, high-need probationers as determined by a validated risk and need assessment instrument. As used in this section, "probationer" means a circuit court probationer serving a probation sentence for a crime.

(2) The demonstration project shall be implemented in 4 areas of the state identified jointly by the department and the state court administrative office. Preference shall be given to locations that are representative of areas with high rates of violent crimes as described in the council of state governments' justice center report on analyses of crime, community corrections, and sentencing policies in this state.

(3) The primary goal of the demonstration project is to reduce crime and revictimization by high-risk, high-need probationers. The secondary goal of the demonstration project is to reduce expenditures for long-term incarceration.

(4) The demonstration project may provide up to 6 months of residential services, and treatment methods, and interventions that are evidence-based, including, but not limited to, the following:

- (a) Risk/needs assessment.
- (b) Motivational techniques.
- (c) Type, intensity, and duration of treatment based on each probationer's risk and needs and delivered consistent with evidence-based practices.

(5) The department shall implement the evidence-based practice of collaborative case management and utilize the services of the department and of local community corrections consistent with the local comprehensive corrections plan developed under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(6) The department shall assign a probation officer to the demonstration project to supervise a specialized caseload for high-risk, high-need probationers. All probation officers supervising a specialized caseload under this section shall receive substantial education and training on issues of substance abuse, mental health, and drug and alcohol testing.

(7) The probation officer shall work in cooperation with the local judiciary and the community corrections advisory board in a collaborative effort toward the goals of promoting probationer success and reducing crime and revictimization.

(8) The probation officer assigned to the demonstration project shall comply with supervision requirements established for the demonstration project by the field operations administration deputy director.

(9) The department shall identify and coordinate information for each local jurisdiction selected for the demonstration project regarding the rate of incarceration of high-risk, high-need probationers to ensure that appropriate probationers are targeted for the demonstration project.

(10) From the funds appropriated in part 1 for public education and training, the department shall collaborate with the local judiciary, community corrections advisory board, and service providers to develop and provide appropriate training for all local stakeholders involved in the demonstration project described in this section.

(11) From the funds provided to the local jurisdiction for the demonstration project, the department shall collaborate with the local judiciary and the community corrections advisory board to develop and implement an evaluation of the demonstration project that will show the impact of the project on the arrests, convictions, technical violations, and commitments to prison of the demonstration project participants. This evaluation shall be performed in accordance with department of corrections policy and procedure on evaluation design in cooperation with the office of research and planning.

(12) By May 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of the demonstration project prescribed under this section, including information on all of the following:

- (a) Demonstration project locations and participating courts.
- (b) The number of probationers participating in the pilot categorized by location and offense.
- (c) Evaluation status and methodology.
- (d) Preliminary results, if any.

Sec. 426. Of the money appropriated in part 1 for prisoner reintegration programs, \$500,000.00 shall be distributed to 1 or more Michigan-chartered 501(c)(3) nonprofit corporations to expand existing business models, or to create new business enterprises including capital equipment needs, that presently have established public utility asset recovery recycling programs. This nonprofit will hire new employees through the funding provided above and must include at least 45% returning citizens. The programs shall be administered by 1 or more Michigan-chartered corporations that are exempt from taxation under section 501(c)(3) of the internal revenue code, 26 USC 501(c)(3), and that have documented entrepreneurial social enterprise expertise in creating employment opportunities for parolees.

Sec. 429. It is the intent of the legislature that the department work with other state departments and agencies to implement the policy options provided to the state by the council of state governments in January 2009.

Sec. 430. The department shall ensure that each prisoner has the opportunity to meet with his or her transition team prior to release from prison. If applicable, community providers shall enter the prison to meet with the prisoner prior to release.

Sec. 431. The department shall ensure that prior to release from prison, each offender has possession of all of the following:

- (a) All documents necessary to obtain a state operator's license or state identification card.
- (b) A set of clothing that would be appropriate and suitable for wearing to an interview for employment.

Sec. 433. The department shall report quarterly on January 1, 2011, April 1, 2011, July 1, 2011, and September 30, 2011 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of any contracts entered into under the June 2009 request for proposals for the re-entry initiative project for offenders with special needs. The report shall include information on all of the following:

- (a) The number of prisoners and participating parolees in each of the target population subgroups, including medically fragile, mentally ill, developmentally disabled, and youthful offenders.
- (b) Descriptions of the key services being provided to each subgroup under the contract or contracts.
- (c) Estimates of the average per-offender costs of services for each target population subgroup under each contract, compared to the average cost of prison incarceration for those populations.

Sec. 434. (1) It is the intent of the legislature that the department, in coordination with the department of energy, labor, and economic growth, Michigan state housing development authority, and local government officials, implement employment-related projects targeted toward at-risk young adults who are disconnected from school and employment, and probationers and parolees in high-crime neighborhoods where the adult incarceration rate is at least 45%.

(2) The department shall identify high-crime neighborhoods where the adult incarceration rate is at least 45% and in coordination with the department of human services and the superintendent of public instruction shall develop programs

for recommendation to the legislature that offer academic, counseling, and social support to children of incarcerated parents.

OPERATIONS AND SUPPORT ADMINISTRATION

Sec. 501. From the funds appropriated in part 1 for prosecutorial and detainer expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 502. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 503. Funds appropriated in part 1 for administrative hearings officers are appropriated as an interdepartmental grant to the department of energy, labor, and economic growth for the purpose of funding administrative hearings officers for adjudication of grievances pertaining to the department of corrections. The department shall not expend appropriations from part 1 to satisfy charges from the department of energy, labor, and economic growth for administrative hearings officers in excess of the amount expressly appropriated by this act for the administrative hearings officers unless funding is transferred into this line under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 504. Of the funds appropriated in part 1, \$50,000.00 is appropriated to provide an interdepartmental grant to the judiciary for use of the judicial data warehouse by department employees.

Sec. 505. (1) The department shall train all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

(2) All staff having direct contact with prisoners and employed within correctional facilities shall attend at least 1 mental health awareness training session.

Sec. 507. Of the funds appropriated in part 1, \$1,000,000.00 is appropriated to provide an interdepartmental grant to the judiciary for operational expenses related to drug treatment courts.

Sec. 508. Of the funds appropriated in part 1, \$500,000.00 is appropriated to provide an interdepartmental grant to the legislative auditor general for oversight activities pertaining to the department of corrections.

Sec. 509. Of the funds appropriated in part 1, \$250,000.00 is appropriated to provide an interdepartmental grant to the legislative corrections ombudsman for oversight activities.

FIELD OPERATIONS ADMINISTRATION

Sec. 601. (1) From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The results of the audit shall be submitted to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies, and the state budget office by March 1, 2011.

(2) It is the intent of the legislature that the department maintain a number of field agents sufficient to meet supervision and workload standards.

Sec. 602. (1) Of the amount appropriated in part 1 for field operations, a sufficient amount shall be allocated for the community service work program and shall be used for salaries and wages and fringe benefit costs of community service coordinators employed by the department to supervise offenders participating in work crew assignments. Funds shall also be used to cover motor transport division rates on state vehicles used to transport offenders to community service work project sites.

(2) The community service work program shall provide offenders with community service work of tangible benefit to a community while fulfilling court-ordered community service work sanctions and other postconviction obligations.

(3) As used in this section, "community service work" means work performed by an offender in an unpaid position with a nonprofit or tax-supported or government agency for a specified number of hours of work or service within a given time period.

Sec. 603. (1) All prisoners, probationers, and parolees involved with the electronic tether program shall reimburse the department for costs associated with their participation in the program. The department may require community service work reimbursement as a means of payment for those able-bodied individuals unable to pay for the costs of the equipment.

(2) Program participant contributions and local community tether program reimbursement for the electronic tether program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

(3) Included in the appropriation in part 1 is adequate funding to implement the community tether program to be administered by the department. The community tether program is intended to provide sentencing judges and county sheriffs in coordination with local community corrections advisory boards access to the state's electronic tether program to reduce prison admissions and improve local jail utilization. The department shall determine the appropriate distribution

of the tether units throughout the state based upon locally developed comprehensive corrections plans under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(4) For a fee determined by the department, the department shall provide counties with the tether equipment, replacement parts, administrative oversight of the equipment's operation, notification of violators, and periodic reports regarding county program participants. Counties are responsible for tether equipment installation and service. For an additional fee as determined by the department, the department shall provide staff to install and service the equipment. Counties are responsible for the coordination and apprehension of program violators.

(5) Any county with tether charges outstanding over 60 days shall be considered in violation of the community tether program agreement and lose access to the program.

Sec. 604. Community-placement prisoners and parolees shall reimburse the department for the total costs of the program. As an alternative method of payment, the department may develop a community service work schedule for those individuals unable to meet reimbursement requirements established by the department.

Sec. 606. It is the intent of the legislature that the department shall ensure that parolees and probationers may timely contact their parole or probation agents and maintain procedures that preclude any necessity for an offender to have access to an agent's home telephone number or other personal information pertaining to the agent.

Sec. 608. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the use of electronic monitoring. At a minimum, the report shall include all of the following:

(a) Details on the failure rate of parolees for whom GPS tether is utilized, including the number and rate of parolee technical violations, including specifying failures due to committing a new crime that is uncharged but leads to parole termination, and the number and rate of parolee violators with new sentences.

(b) Information on the factors considered in determining whether an offender is placed on active GPS tether, passive GPS tether, radio frequency tether, or some combination of these or other types of electronic monitoring.

(c) Monthly data on the number of offenders on active GPS tether, passive GPS tether, radio frequency tether, and any other type of tether.

Sec. 609. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the use of kiosk reporting stations. At a minimum, the report shall include all of the following:

(a) Factors considered in determining whether an offender is assigned to report at a kiosk.

(b) Information on the location, costs, safety features, and other features of kiosks used for offender reporting.

(c) Information on demonstration project outcome measures.

(d) An evaluation of the kiosk reporting demonstration project, including any need for improvement and an assessment of the potential for expanded use of kiosk reporting stations.

Sec. 611. The department shall prepare by March 1, 2011 individual reports for the community reentry program, the electronic tether program, and the special alternative to incarceration program. The reports shall be submitted to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director. Each program's report shall include information on all of the following:

(a) Monthly new participants by type of offender. Community re-entry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(b) Monthly participant unsuccessful terminations, including cause.

(c) Number of successful terminations.

(d) End month population by facility/program.

(e) Average length of placement.

(f) Return to prison statistics.

(g) Description of each program location or locations, capacity, and staffing.

(h) Sentencing guideline scores and actual sentence statistics for participants, if applicable.

(i) Comparison with prior year statistics.

(j) Analysis of the impact on prison admissions and jail utilization and the cost effectiveness of the program.

Sec. 612. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) To the extent policies or programs described in subsection (1) are used, developed, or contracted for, the department may request that funds appropriated in part 1 be transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for their operation.

(3) The department shall continue to utilize parole violator processing guidelines that require parole agents to utilize all available appropriate community-based, nonincarcerative postrelease sanctions and services when appropriate. The department shall periodically evaluate such guidelines for modification, in response to emerging information from the demonstration projects for substance abuse treatment provided under this act and applicable provisions of prior budget acts for the department.

(4) The department shall provide quarterly reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding calendar quarter. The reports shall include the following information each for probationers, parolees after their first parole, and parolees who have been paroled more than once:

(a) The numbers of parole and probation violators returned to or sent to prison for a new crime with a comparison of original versus new offenses by major offense type: assaultive, nonassaultive, drug, and sex.

(b) The numbers of parole and probation violators returned to or sent to prison for a technical violation and the type of violation, including, but not limited to, zero gun tolerance and substance abuse violations. For parole technical rule violators, the report shall list violations by type, by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(c) The educational history of those offenders, including how many had a GED or high school diploma prior to incarceration in prison, how many received a GED while in prison, and how many received a vocational certificate while in prison.

(d) The number of offenders who participated in the MPRI versus the number of those who did not.

(e) The unduplicated number of offenders who participated in substance abuse treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

Sec. 613. Subject to the appropriations in part 1, the department is encouraged to expand the use of continuous remote alcohol monitors for parolees and probationers who test positive for alcohol abuse or have alcohol-abuse-related violations of their community supervision.

Sec. 614. (1) As a condition of probation, community control, payment plan for the payment of a fine or restitution, or any other court-ordered supervision, the court may order the posting of a bond to secure the defendant's appearance at any subsequent court proceeding or to otherwise enforce the orders of the court. An appearance bond executed under this section shall be filed with the court or with the sheriff by a licensed professional bail agent who shall provide a copy of the bond to the clerk of court.

(2) The court may issue an order to produce the defendant sua sponte or upon notice by the clerk or the probation officer that the person has violated the terms of probation, community control, court-ordered supervision, or other applicable court order. The court or the clerk of the court shall give the bail agent not less than 72 hours to bring the defendant before the court. If the bail agent fails to produce the defendant in court or to the sheriff at the time noticed by the court or the clerk of court, the appearance bond required under subsection (1) shall be forfeited according to the procedures set forth in section 15 of chapter V of the code of criminal procedure, 1927 PA 175, MCL 765.15. The defendant's failure to appear shall be the sole grounds for forfeiture of the appearance bond.

Sec. 615. After the parole and commutations board has reviewed the cases of all inmates sentenced to life with the possibility of parole who have good institutional records and pose low-risk to the community, the parole and commutations board shall provide the legislature with a detailed explanation of why an inmate who scores "high probability of release" is not being paroled.

HEALTH CARE

Sec. 801. The department shall not expend funds appropriated under part 1 for any surgery, procedure, or treatment to provide or maintain a prisoner's sex change unless it is determined medically necessary by the chief medical officer of the department.

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with all of the following:

(a) Quarterly reports on physical and mental health care detailing the average number of days between a prisoner's diagnosis and commencement of treatment for that diagnosis, quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

(b) Regular updates on progress on requests for proposals and requests for information pertaining to prisoner health care and mental health care, until the applicable contract is approved.

Sec. 803. For mental health contracts entered into by the department, including those with the Michigan department of community health, recognized performance standards and measures of quality shall be utilized to conduct periodic performance reviews. At least once every 3 years, the department shall renegotiate all mental health contracts entered into under this section with the goals of improving care and reducing costs.

Sec. 804. (1) The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoner health care utilization. The report shall include the number of inpatient hospital days, outpatient visits, and emergency room visits in the previous quarter and since October 1, 2009, by facility.

(2) By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoners receiving off-site inpatient medical care that would have received care in a state correctional facility if beds were available. The report shall include the number of prisoners receiving off-site inpatient medical care and average length of stay in an off-site facility during the period they would have received care in a state correctional facility if beds were available, by month and correctional facilities administration region.

Sec. 805. The bureau of health care services shall develop information on hepatitis C and HIV prevention and the risks associated with exposure to hepatitis C and HIV. The health care providers shall disseminate this information verbally and in writing to each prisoner at the health screening and full health appraisal conducted at admissions, at the annual health care screening 30 days before or after a prisoner's birthday, and prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum sentence.

Sec. 806. (1) From the funds appropriated in part 1, the department shall require a hepatitis C antibody test and an HIV test for each prisoner prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum sentence. The department shall require an HIV test and a hepatitis C risk factor screening for each prisoner at the health screening at admissions. If hepatitis C risk factors are identified, the department shall offer the prisoner a hepatitis C antibody test. An explanation of results of the tests shall be provided confidentially to the prisoner, and if appropriate based on the test results, the prisoner shall also be provided a recommendation to seek follow-up medical attention.

(2) By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the number of offenders tested and the number of offenders testing positive for HIV, the hepatitis C antibody, or both at prison admission and parole, transfer to community residential placement, or discharge on the maximum sentence. The department shall keep records of those offenders testing positive for HIV, the hepatitis C antibody, or both at prison admission, parole, transfer to community residential placement, and discharge. These records shall clearly state the date each test was performed.

(3) As a condition of expenditure of the funds appropriated in part 1, the department shall keep records of the following:

(a) The number of offenders testing positive for the hepatitis C antibody who do not receive treatment, by reason for not participating.

(b) The number of offenders achieving a sustained viral response from hepatitis C treatment.

(c) Cost and duration of treatment by offender.

Sec. 807. The department shall ensure that all medications for a prisoner be transported with that prisoner when the prisoner is transferred from 1 correctional facility to another. Prisoners being released shall be provided with at least a 30-day supply of medication and a prescription for refills to allow for continuity of care in the community.

Sec. 808. There are sufficient funds and FTEs appropriated in part 1 to provide a full complement of nurses for clinical complexes working regular pay hours, and it is the intent of the legislature that sufficient nurses be hired or retained to limit the use of overtime other-than-holiday pay.

Sec. 809. The department, in conjunction with efforts to implement the MPRI, shall cooperate with the MDCH to share data and information as they relate to prisoners being released who are HIV positive or positive for the hepatitis C antibody. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on all of the following:

(a) Programs and the location of programs implemented as a result of the work under this section.

(b) The number of prisoners released to the community by parole, discharge on the maximum sentence, or transfer to community residential placement who are HIV positive, positive for the hepatitis C antibody, or both.

(c) The number of offenders referred to the local public health department, by county.

Sec. 811. By February 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of efforts to implement continuous quality improvement for prisoner health care. At a minimum, the report shall identify the processes that were in place before the start of the fiscal year, the processes undertaken since the beginning of the fiscal year, and plans for future changes.

Sec. 812. (1) The department shall provide the department of human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of human services shall enter into an interagency agreement under which the department of human services provides the department of corrections with monthly lists of newly committed prisoners who are eligible for Medicaid benefits in order to maintain the process by which

Medicaid benefits are suspended rather than terminated. The department shall assist prisoners who may be eligible for Medicaid benefits after release from prison with the Medicaid enrollment process prior to release from prison.

(2) The department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with quarterly updates on the utilization of Medicaid benefits for prisoners.

Sec. 813. The department shall work in cooperation with the department of community health to monitor and document drug utilization by department for prisoner health care services. As part of this effort, the department shall examine drug utilization patterns and cost-cutting strategies used by corrections systems in other states. By March 1, 2011, the department shall provide a report to the legislature detailing the department's drug utilizations and drug utilization statistics for corrections systems in other states.

Sec. 814. The department shall assure that psychotropic medications are available, when deemed medically necessary by a physician, to prisoners who have mental illness diagnoses but are not enrolled in the corrections mental health program.

Sec. 815. From the money appropriated in part 1 for health care administration, the department shall expend at least \$520,000.00 to operate a health care quality assurance unit.

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 902. From the funds appropriated in part 1, the department shall allocate sufficient funds to develop a demonstration children's visitation program. The demonstration program shall teach parenting skills and arrange for day visitation at these facilities for parents and their children, except for the families of prisoners convicted of a crime involving criminal sexual conduct in which the victim was less than 18 years of age or involving child abuse.

Sec. 903. Except as otherwise provided in this section, the department shall prohibit prisoners' access to or use of the Internet or any similar system. Under adequate supervision and with security precautions that ensure appropriate computer use by prisoners, the department may allow a prisoner access to or use of the Internet for the purposes of educational programming, employment training, job searches, or other Internet-based programs and services consistent with programming objectives, efficient operations, and the safety and security of the institution.

Sec. 904. Any department employee who, in the course of his or her job, is determined by a physician to have had a potential exposure to the hepatitis B virus, shall receive a hepatitis B vaccination upon request.

Sec. 905. (1) The inmate housing fund shall be used for the custody, treatment, clinical, and administrative costs associated with the housing of prisoners other than those specifically budgeted for elsewhere in this act. Funding in the inmate housing fund is appropriated into a separate control account. Funding in the control account shall be distributed as necessary into separate accounts created to separately identify costs for specific purposes.

(2) Quarterly reports on all expenditures from the inmate housing fund shall be submitted by the department to the state budget director, the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies.

Sec. 906. (1) The department shall establish a uniform rate to be paid by public and private agencies that benefit from public work services provided by special alternative incarceration participants and prisoners.

(2) It is the intent of the legislature that to the degree consistent with public safety and the safety and security of the institutions, public works projects be continued at the level provided in 2006 PA 331.

(3) It is the intent of the legislature that public works fee schedules be maintained at half the rates in effect on September 30, 2008.

(4) The department shall maintain a list of the number of prisoners available for public works crews at each department facility, and the number of prisoners necessary to fulfill current public works contracts at each department facility. The department shall place the list on a publicly accessible Internet site and update the list weekly.

(5) It is the intent of the legislature that pay rates for prisoners classified to public works assignments be increased by 50 cents per day from the rates in effect on September 30, 2009.

Sec. 907. The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on academic/vocational programs. The report shall provide information relevant to an assessment of the department's academic and vocational programs, including, but not limited to, the following:

(a) The number of instructors and the number of instructor vacancies, by program and facility.

(b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who fail each program, the number of prisoners who do not complete each program and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and the reason for transfer, the number of prisoners enrolled who are repeating the program by reason, and the number of prisoners on waiting lists for each program, all itemized by facility.

(c) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.

(d) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a GED.

(e) An explanation of the value and purpose of each program, e.g., to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.

(f) An identification of program outcomes for each academic and vocational program.

(g) An explanation of the department's plans for academic and vocational programs, including plans to contract with intermediate school districts for GED and high school diploma programs.

(h) The number of prisoners not paroled at their earliest release date due to lack of a GED, and the reason those prisoners have not obtained a GED.

Sec. 908. By February 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director, the percent of offenders included in the prison population intake for fiscal years 2008-2009 and 2009-2010 who have a high school diploma or a GED.

Sec. 909. As a condition of expending funds appropriated for academic/vocational programs under part 1, the department shall by January 31, 2011 provide a plan to contract with intermediate school districts for GED and high school diploma programs at correctional facilities to the members of the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The plan shall include detailed information on the development of the curriculum, how the program will be administered, how the program will improve employability, and how the program will be evaluated.

Sec. 910. The department shall allow the Michigan Braille transcribing fund program to operate at its current location. The donation of the building by the Michigan Braille transcribing fund at the G. Robert Cotton correctional facility in Jackson is acknowledged and appreciated. The department shall continue to encourage the Michigan Braille transcribing fund to produce high-quality materials for use by the visually impaired.

Sec. 911. (1) From the appropriations in part 1, the department shall ensure that all prisoner activities shall include the presence of a sufficient number of correctional officers needed to maintain the safety and security of the institution.

(2) By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director the number of critical incidents occurring each month by type and the number and severity of assaults occurring each month at each facility during calendar year 2010.

(3) The department shall not reduce the ratio of custody officers to prisoners at any correctional facility below the levels that existed October 1, 2008. Any correctional facility that reduces its security level after October 1, 2008 shall not have a ratio of custody officers to prisoners below that of a comparable facility. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director if it is unable to comply with this section. The report shall include all of the following:

(a) A list of the correctional facilities that reduced their ratio of custody officers to prisoners in violation of this subsection.

(b) An explanation of why the department is unable to comply with this subsection.

(c) A plan to maintain the safety and security of the facilities or units.

(4) Subsection (3) does not apply to facilities or portions of facilities that have closed.

Sec. 912. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director by March 1, 2011 on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Sec. 913. It is the intent of the legislature that any prisoner required to complete an assaultive offender program, sexual offender program, or other program as a condition of parole shall be transferred to a facility where that program is available in order to accomplish timely completion of that program prior to the expiration of his or her minimum sentence and eligibility for parole. Nothing in this section should be deemed to make parole denial appealable in court.

Sec. 916. The department shall issue a request for proposals by June 1, 2011 to convert the law library collections at correctional facilities to an electronic medium, if the department's feasibility study that examined similar conversions in Ohio and Pennsylvania reveals that the conversion would be beneficial.

Sec. 917. From the funds appropriated in part 1, the department shall allocate sufficient funds to implement evidence-based demonstration projects that change offenders' behaviors, values, beliefs, and attitudes toward victims and the community.

Sec. 918. Following receipt of an auditor general performance audit on offender transportation, the department, in conjunction with the department of management and budget, shall issue a request for information on the possible bidding of all offender transportation services. State employees shall be given the opportunity to respond to a request for information on offender transportation services. Any response to the request for information shall include an explanation of how savings of at least 5% over existing costs of offender transportation would be realized.

Sec. 919. (1) As a condition of expending funds appropriated in part 1 for prison food service, the department shall comply with the provision of section 207, including, but not limited to, all of the following criteria:

(a) Providing a complete project plan at least 90 days prior to issuing a request for proposals or an invitation to bid for all or a substantial portion of food service, including a contract for food procurement.

(b) Conducting a preprivatization cost-benefit analysis as described by section 207a.

(c) Providing a copy of the cost-benefit analysis to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director before the earliest of the following:

(i) Issuance of a request for proposals or invitation to bid.

(ii) Filing a contract change request with the state administrative board.

(iii) Entering into a contract for all or a substantial portion of prison food service.

(2) As a condition of expending funds appropriated in part 1 for prison food service, any contract for prison food service or prison food procurement shall identify all of the following:

(a) How savings equivalent to the savings specified in civil service rules for personal services outside the civil service would be realized.

(b) How the department will comply with the requirements of section 209.

(c) How food quality will be maintained in conjunction with any cost savings.

(d) The impact on local vendors, growers, and processors, identified by facility or region, as appropriate, compared to prior-year purchases.

Sec. 920. The department shall make every effort to operate a garden or horticultural operation at each correctional facility, where practical, in order to provide food for correctional facilities and not-for-profit organizations.

Sec. 921. (1) By April 30, 2011, the department shall report to the chairs of the senate and house appropriations committees, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the following:

(a) The actual savings realized between January 1, 2009 and April 1, 2011 as a result of closing correctional facilities and correctional camps between January 1, 2009 and January 1, 2011, itemized by correctional facility or correctional camp.

(b) The projected fiscal year 2010-2011 savings by closing correctional facilities and correctional camps between January 1, 2009 and January 1, 2011, itemized by correctional facility or correctional camp.

(2) The report in subsection (1) shall include information on all of the following:

(a) The savings realized or projected to be realized, itemized by program or type of expenditure.

(b) Any cost of field supervision, field operations programs, or prisoner reintegration programs related to the closure of correctional facilities and correctional camps between January 1, 2009 and January 1, 2011.

Sec. 922. It is the intent of the legislature that all prisoners work 40 hours per week in the correctional facility, as part of a public works crew or in private enterprise, or participate in vocational or training programs. Prisoners may be enrolled in GED or education programs in combination with employment. Prisoners not employed shall be enrolled in GED or other educational programs for not less than 20 hours per week. This section does not apply to prisoners classified in level V or administrative segregation.

Sec. 923. The department shall cooperate with the department of education to evaluate the feasibility of local school districts providing education programming to targeted prisoners under the age of 20 who have not received a high school diploma. By June 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on any plans or evaluations developed under this section.

Sec. 924. The department shall evaluate all prisoners at intake for substance abuse disorders, developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness shall not be confined in administrative segregation due to serious mental illness. Under the supervision of a mental health professional, a prisoner with serious mental illness may be secluded in a therapeutic environment for the safety of the prisoner or others. A prisoner in therapeutic seclusion shall be evaluated every 12 hours by a mental health professional in order to remain in therapeutic seclusion.

Sec. 925. By March 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the annual number of prisoners in administrative segregation between October 1, 2003 and September 30, 2010, and the annual number of prisoners in administrative segregation between October 1, 2003 and September 30, 2010 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

Sec. 927. The department of corrections and the department of human services shall enter into an intergovernmental agreement to place offenders less than 19 years of age who are committed to the department of corrections in underutilized units of the Maxey/Woodland center correctional facility. The facilities shall be used to house offenders less than 19 years of age who are currently committed to the department of corrections.

Sec. 928. Funding appropriated in part 1 for consent decree line items is appropriated into separate control accounts created for each line item. Funding in each control account shall be distributed as necessary into separate accounts created for the purpose of separately identifying costs and expenditures associated with each consent decree.

Sec. 929. From the funds appropriated in part 1, the department shall do all of the following:

(a) Ensure that any inmate care and control staff in contact with prisoners less than 19 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 19 years of age. By April 1, 2011, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the training curriculum used and the number and types of staff receiving training under such curriculum since October 2009.

(b) Provide appropriate placement for prisoners less than 19 years of age who have serious mental illness, serious emotional disturbance, or a developmental disorder and need to be housed separately from the general population. Prisoners less than 19 years of age who have serious mental illness, serious emotional disturbance, or a developmental disorder shall not be placed in administrative segregation due to serious mental illness or serious emotional disturbance. Under the supervision of a mental health professional, a prisoner less than 19 years of age with serious mental illness or serious emotional disturbance may be secluded in a therapeutic environment for the safety of the prisoner or others. A prisoner in therapeutic seclusion shall be evaluated every 12 hours by a mental health professional in order to remain in therapeutic seclusion.

(c) Implement a specialized re-entry program that recognizes the needs of prisoners less than 19 years old for supervised re-entry.

Sec. 930. The department shall not have a shooting range located on property east of 3760 Foco Road, Standish, Michigan.

Sec. 932. From the funds appropriated in part 1 for psychiatric services, \$100,000.00 is appropriated to permit the department to contract with a board-certified child and adolescent psychiatrist to provide psychiatric services to individuals who are less than 19 years of age and are incarcerated in a department facility.

Sec. 933. From the funds appropriated in part 1, \$50,000.00 shall be utilized to create 2 pilot programs for a secure, scalable inmate learning management tool that enables inmates to improve job skill training and work toward achieving their GED, with the goal of reducing recidivism in concert with the council of state governments report. The pilots shall be designed to manage, track, and quantify all of the training, continuing education, development, and certification among other learning opportunities. The program shall include a wide variety of course work, including job search preparation and specialized programs to help inmates identify their current skills in relation to the job market. The pilots are to be housed on a single secure server, which cannot access the Internet, and are to be for use in 1 state prison and 1 county jail.

Sec. 934. From the funds appropriated in part 1 for prison industries operations, the department shall establish a pilot program for the manufacturing of textiles and clothing in at least 1 state correctional facility.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

Alan L. Cropsey
Roger Kahn
Liz Brater
Conferees for the Senate

Alma Wheeler Smith
Fred Durhal, Jr.
Conferees for the House

The Speaker announced that under Joint Rule 9 the conference report would lie over one day.

Messages from the Senate

Senate Bill No. 165, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 621 and 622 (MCL 257.621 and 257.622), section 622 as amended by 2003 PA 66.

The Senate has passed the bill.

The bill was read a first time by title and referred to the Committee on Transportation.

Senate Bill No. 478, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," (MCL 791.201 to 791.285) by adding section 7b. The Senate has passed the bill.

The bill was read a first time by title and referred to the Committee on Judiciary.

Senate Bill No. 1432, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," (MCL 400.1 to 400.119b) by adding section 57v. The Senate has passed the bill.

The bill was read a first time by title and referred to the Committee on Families and Children's Services.

Notices

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Judiciary from further consideration of **House Resolution No. 313**.

Rep. McMillin

Introduction of Bills

Reps. DeShazor, Crawford and McMillin introduced

House Bill No. 6463, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1255a. The bill was read a first time by its title and referred to the Committee on Education.

Reps. McMillin, Agema, Genetski and Lund introduced

House Bill No. 6464, entitled

A bill to amend 1968 PA 2, entitled "Uniform budgeting and accounting act," by amending section 2d (MCL 141.422d), as amended by 2000 PA 493, and by adding section 15a.

The bill was read a first time by its title and referred to the Committee on Intergovernmental and Regional Affairs.

Reps. McMillin, Genetski and Lund introduced

House Bill No. 6465, entitled

A bill to amend 1971 PA 140, entitled "Glenn Steil state revenue sharing act of 1971," (MCL 141.901 to 141.921) by adding section 17c.

The bill was read a first time by its title and referred to the Committee on Intergovernmental and Regional Affairs.

Reps. Denby, Huckleberry, Rick Jones, Bolger, Lori, Pavlov, Horn, Paul Scott, Ball, Booher, Lund, Lipton, Daley, Wayne Schmidt, Moss, Byrnes, Kennedy, Tyler, Walsh, Meltzer, Kurtz, Kowall, Marleau, Young, Green, Rogers and Johnson introduced

House Bill No. 6466, entitled

A bill to amend 1996 IL 1, entitled "Michigan gaming control and revenue act," by amending section 4 (MCL 432.204), as amended by 1997 PA 69.

The bill was read a first time by its title and referred to the Committee on Regulatory Reform.

Reps. Constan, Miller, Hammel, Gonzales, Lemmons, Polidori, Spade, Bennett, Donigan, Durhal, Robert Jones, Barnett, Geiss, Liss, Cushingberry and Meadows introduced

House Bill No. 6467, entitled

A bill to amend 1961 PA 236, entitled "Revised judicature act of 1961," by amending sections 5201 and 5205 (MCL 600.5201 and 600.5205), and by adding section 5202; and to repeal acts and parts of acts.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Lisa Brown, Segal, Slavens, Haase and Scripps introduced

House Bill No. 6468, entitled

A bill to amend 1931 PA 328, entitled "The Michigan penal code," (MCL 750.1 to 750.568) by adding section 411w. The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Segal, Lisa Brown, Slavens, Haase and Scripps introduced

House Bill No. 6469, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," (MCL 760.1 to 777.69) by adding section 4b to chapter IX.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Haase, Lisa Brown, Segal, Slavens and Scripps introduced

House Bill No. 6470, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 16t of chapter XVII (MCL 777.16t), as amended by 2008 PA 565.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Kennedy, Segal, Slavens, Scripps, Haase and Lisa Brown introduced

House Bill No. 6471, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," (MCL 380.1 to 380.1852) by adding section 1310b.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Scripps, Lisa Brown, Segal, Slavens and Haase introduced

House Bill No. 6472, entitled

A bill to provide for the reporting of cyberbullying incidents; and to provide for certain powers and duties of law enforcement officers and school officials regarding those incidents.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Reps. Slavens, Scripps, Haase, Segal and Lisa Brown introduced

House Bill No. 6473, entitled

A bill to amend 1935 PA 59, entitled "An act to provide for the public safety; to create the Michigan state police, and provide for the organization thereof; to transfer thereto the offices, duties and powers of the state fire marshal, the state oil inspector, the department of the Michigan state police as heretofore organized, and the department of public safety; to create the office of commissioner of the Michigan state police; to provide for an acting commissioner and for the appointment of the officers and members of said department; to prescribe their powers, duties, and immunities; to provide the manner of fixing their compensation; to provide for their removal from office; and to repeal Act No. 26 of the Public Acts of 1919, being sections 556 to 562, inclusive, of the Compiled Laws of 1929, and Act No. 123 of the Public Acts of 1921, as amended, being sections 545 to 555, inclusive, of the Compiled Laws of 1929," (MCL 28.1 to 28.16) by adding section 17.

The bill was read a first time by its title and referred to the Committee on Judiciary.

Rep. Haines moved that the House adjourn.

The motion prevailed, the time being 3:40 p.m.

The Speaker Pro Tempore declared the House adjourned until Wednesday, September 22, at 10:00 a.m.

RICHARD J. BROWN
Clerk of the House of Representatives

