

No. 64
STATE OF MICHIGAN
Journal of the Senate
102nd Legislature
REGULAR SESSION OF 2024

Senate Chamber, Lansing, Thursday, June 27, 2024.

12:30 a.m.

The Senate was called to order by the President pro tempore, Senator Jeremy Moss.

The roll was called by the Secretary of the Senate, who announced that a quorum was present.

Albert—present	Hauck—present	Moss—present
Anthony—present	Hertel—present	Nesbitt—present
Bayer—present	Hoitenga—present	Outman—present
Bellino—present	Huizenga—present	Polehanki—present
Brinks—present	Irwin—present	Runestad—present
Bumstead—present	Johnson—present	Santana—present
Camilleri—present	Klinefelt—present	Shink—present
Cavanagh—present	Lauwers—present	Singh—present
Chang—present	Lindsey—present	Theis—present
Cherry—present	McBroom—present	Victory—present
Daley—present	McCann—present	Webber—present
Damoose—present	McDonald Rivet—present	Wojno—present
Geiss—present	McMorrow—present	

Senator Paul Wojno of the 10th District offered the following invocation:

Father, we ask for Your guidance as we begin our legislative affairs this morning. Thank You for Your generosity and faithfulness for entrusting us with such a high level of legislative power as we work through our budgetary process. May You bless each and every one of us. Amen.

The President pro tempore, Senator Moss, led the members of the Senate in recital of the *Pledge of Allegiance*.

Motions and Communications

Senator Lauwers moved that Senators Bumstead, Victory and Outman be temporarily excused from today's session.

The motion prevailed.

Senator Singh moved that Senators Anthony, Camilleri and McCann be temporarily excused from today's session.

The motion prevailed.

The following communication was received:
Office of Senator Edward W. McBroom

June 26, 2024

Per Senate Rule 1.110(c), I am requesting that my name be added as a co-sponsor to SJR K, SB 948, SB 951, and SB 952 introduced on June 26, 2024 by Senator Jonathan Lindsey.

Sincerely,
Ed McBroom
State Senator
38th District

The communication was referred to the Secretary for record.

Senator Singh moved that rule 2.106 be suspended to allow committees to meet during Senate session. The motion prevailed, a majority of the members serving voting therefor.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 12:33 a.m.

4:14 a.m.

The Senate was called to order by the Assistant President pro tempore, Senator Geiss.

During the recess, Senators Victory, Outman, McCann, Camilleri, Bumstead and Anthony entered the Senate Chamber.

By unanimous consent the Senate proceeded to the order of

Conference Reports

Senator Singh moved that Joint Rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

Senate Bill No. 747

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

Senator Anthony submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning
Senate Bill No. 747, entitled

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2025; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

Recommendations:

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 Bill as passed by the Senate, amended to read as follows:

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch and for capital outlay purposes for the fiscal years ending September 30, 2024 and September 30, 2025; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE 1

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	550.0	
GROSS APPROPRIATION	\$	156,938,900
Total interdepartmental grants and intradepartmental transfers		332,400
ADJUSTED GROSS APPROPRIATION	\$	156,606,500
Federal revenues:		
Total federal revenues		20,357,900
Special revenue funds:		
Total local revenues		0
Total private revenues		21,300
Total other state restricted revenues		47,170,900
State general fund/general purpose	\$	89,056,400

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	37.0	
Unclassified salaries—FTE positions	6.0\$	1,033,200
Accounting service center		1,177,400
Commissions and boards		23,800
Emergency management—FTEs	8.0	3,553,100
Emerging contaminants in food and agriculture—FTEs	6.0	2,109,900
Executive direction—FTEs	23.0	3,354,600
Property management		785,000
GROSS APPROPRIATION	\$	12,037,000
Appropriated from:		
Federal revenues:		
HHS, multiple grants		439,000
USDA, multiple grants		600,000
Deferred federal revenue funding		15,000
Special revenue funds:		
Agriculture licensing and inspection fees		158,300
Dairy and food safety fund		219,600
Feed control fund		8,100

	For Fiscal Year Ending Sept. 30, 2025	
Fertilizer control fund	\$	10,600
Freshwater protection fund		175,700
Gasoline inspection and testing fund		26,400
Industry support funds		57,000
Michigan craft beverage council fund		8,800
Private forestland enhancement fund		16,300
Refined petroleum fund		21,000
Weights and measures regulation fees		5,000
State general fund/general purpose	\$	10,276,200
Sec. 103. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	2,366,400
GROSS APPROPRIATION	\$	2,366,400
Appropriated from:		
Special revenue funds:		
Agriculture licensing and inspection fees		93,000
Dairy and food safety fund		76,400
Feed control fund		15,000
Fertilizer control fund		15,000
Freshwater protection fund		15,000
Gasoline inspection and testing fund		32,400
State general fund/general purpose	\$	2,119,600
Sec. 104. BUREAU OF FOOD SAFETY AND ANIMAL HEALTH		
Full-time equated classified positions	212.0	
Animal disease prevention and response—FTEs	63.0\$	11,103,000
Animal feed safety—FTEs	10.0	2,100,800
Food safety and quality assurance—FTEs	103.0	18,833,700
Indemnification - livestock depredation		15,000
Michigan animal agriculture alliance		3,000,000
Milk safety and quality assurance—FTEs	36.0	5,999,300
GROSS APPROPRIATION	\$	41,051,800
Appropriated from:		
Federal revenues:		
HHS, multiple grants		3,244,200
USDA, multiple grants		1,209,500
Special revenue funds:		
Agriculture licensing and inspection fees		72,900
Animal welfare fund		150,000
Consumer food safety education fund		242,500
Dairy and food safety fund		5,506,700
Feed control fund		1,431,200
Industry food safety education fund		114,100
Marihuana regulatory fund		349,900
Marihuana regulation fund		350,000
State general fund/general purpose	\$	28,380,800
Sec. 105. BUREAU OF ENVIRONMENT AND SUSTAINABILITY		
Full-time equated classified positions	120.5	
Agricultural climate resiliency	\$	1,000,000
Environmental stewardship - MAEAP—FTEs	27.0	10,825,300
Local conservation districts		3,000,000
Pesticide and plant pest management—FTEs	82.0	14,506,900
Right-to-farm—FTEs	6.5	1,042,100
Soil health/regenerative agriculture—FTEs	5.0	1,024,900
GROSS APPROPRIATION	\$	31,399,200

For Fiscal Year
Ending Sept. 30,
2025

Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDEGLE, biosolids	\$	95,600
Federal revenues:		
Department of interior		96,300
EPA, multiple grants		1,142,700
USDA, multiple grants		2,046,100
Special revenue funds:		
Private - slow-the-spread foundation		21,300
Agriculture licensing and inspection fees		4,626,800
Fertilizer control fund		1,372,700
Freshwater protection fund		8,528,400
Horticulture fund		70,000
Industrial hemp fund		685,700
Industry support funds		228,100
State general fund/general purpose	\$	12,485,500
Sec. 106. AGRICULTURE DEVELOPMENT BUREAU		
Full-time equated classified positions	72.0	
Agricultural preservation easement grants	\$	1,900,000
Agricultural support—FTEs	5.0	1,000,000
Agriculture development—FTEs	16.0	4,848,700
Fair food network - double up food bucks		5,000,000
Farm to family—FTEs	6.0	3,000,000
Farmland and open space preservation—FTEs	10.0	1,638,000
Food and agriculture investment program		2,474,800
Food and agriculture supply chain—FTE	1.0	804,900
Fruit and vegetable inspections—FTEs	8.0	1,308,100
Intercounty drain—FTEs	5.0	883,800
Michigan craft beverage council—FTE	1.0	1,341,500
Migrant labor housing—FTEs	9.0	1,389,500
Producer security/grain dealers—FTEs	6.0	1,033,400
Qualified forest program—FTEs	4.0	8,107,000
Rural development fund grant program—FTE	1.0	2,008,200
GROSS APPROPRIATION	\$	36,737,900
Appropriated from:		
Federal revenues:		
USDA, multiple grants		8,085,600
Special revenue funds:		
Agricultural preservation fund		3,538,000
Agriculture licensing and inspection fees		5,100
Commodity inspection fees		700,300
Grain dealers fee fund		874,600
Industry support funds		223,600
Michigan craft beverage council fund		1,311,500
Migratory labor housing fund		145,100
Private forestland enhancement fund		1,080,100
Rural development fund		2,008,200
State general fund/general purpose	\$	18,765,800
Sec. 107. LABORATORY AND CONSUMER PROTECTION BUREAU		
Full-time equated classified positions	108.5	
Central licensing and customer call center—FTEs	13.0	\$ 1,553,500
Consumer protection program—FTEs	42.0	7,179,900
Laboratory services—FTEs	42.5	8,873,900
USDA monitoring—FTEs	11.0	1,725,100
GROSS APPROPRIATION	\$	19,332,400

	For Fiscal Year Ending Sept. 30, 2025
Appropriated from:	
Interdepartmental grant revenues:	
IDG from LARA (LCC), liquor quality testing fees	\$ 236,800
Federal revenues:	
EPA, multiple grants	180,600
HHS, multiple grants	1,572,600
USDA, multiple grants	1,726,300
Special revenue funds:	
Agriculture licensing and inspection fees	356,400
Dairy and food safety fund	532,500
Feed control fund	194,900
Fertilizer control fund	25,500
Freshwater protection fund	48,500
Gasoline inspection and testing fund	1,932,500
Grain dealers fee fund	8,200
Industrial hemp fund	323,200
Migratory labor housing fund	31,200
Refined petroleum fund	3,520,700
Testing fees	358,700
Weights and measures regulation fees	755,300
State general fund/general purpose	\$ 7,528,500
Sec. 108. FAIRS AND EXPOSITIONS	
County fairs, shows, and expositions	\$ 500,000
Fairs and racing	258,600
Horse racing advisory commission	125,000
Purses and supplements - fairs/licensed tracks	2,073,600
Standardbred breeders' awards	345,900
Standardbred purses and supplements - licensed tracks	991,100
Standardbred sire stakes	720,000
GROSS APPROPRIATION	\$ 5,014,200
Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund	4,514,200
State general fund/general purpose	\$ 500,000
Sec. 109. ONE-TIME APPROPRIATIONS	
Agricultural climate resiliency	\$ 5,100,000
Animal disease prevention and response	2,000,000
Animal welfare grants	500,000
Flint Farmers' market	150,000
Fruit and vegetable prescription program	500,000
Study on agriculture stewardship	250,000
Underserved-owned food and agriculture ventures	500,000
GROSS APPROPRIATION	\$ 9,000,000
Appropriated from:	
Special revenue funds:	
State general fund/general purpose	\$ 9,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending from state sources under part 1 is \$136,227,300.00 and state

spending under part 1 from state sources to be paid to local units of government is \$8,800,000.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT		
Agriculture preservation easement grants	\$	1,900,000
Environmental stewardship/MAEAP		1,100,000
Local conservation districts		3,000,000
Qualified forest program		1,400,000
Rural development fund grant program		1,400,000
TOTAL	\$	8,800,000

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

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

- (a) "Department" means the department of agriculture and rural development.
- (b) "Director" means the director of the department.
- (c) "Fiscal agencies" means the Michigan house fiscal agency and the Michigan senate fiscal agency.
- (d) "FTE" means full-time equated.
- (e) "IDG" means interdepartmental grant.
- (f) "MAEAP" means the Michigan agriculture environmental assurance program.
- (g) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.
- (h) "Standard report recipients" means the senate and house appropriations subcommittees on agriculture and rural development, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.
- (i) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

- (j) "TB" means tuberculosis.
- (k) "USDA" means the United States Department of Agriculture.

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for federal contingency authorization. Amounts appropriated under this section are not available for expenditure until they have been transferred to another line item in part 1 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 \$2,000,000.00 for state restricted contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$100,000.00 for local contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$100,000.00 for private contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 214. (1) To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises 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 geographically disadvantaged business enterprises for services, supplies, or both.

(2) As used in this section, “geographically disadvantaged business enterprises” means that term as defined in Executive Directive No. 2023-01.

Sec. 215. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period.

Sec. 218. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 221. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 222. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community’s access to government resources, programs, or facilities.

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

Sec. 223. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

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

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

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

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

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

(3) The department shall notify the subcommittees, the fiscal agencies, and the state budget office 30 days before proposing changes in fees authorized under this section or under section 5 of 1915 PA 91, MCL 285.35.

(4) On or before February 1 of each year, the department shall provide a report to the subcommittees, the fiscal agencies, and the state budget office detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

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

(2) The department shall provide notice of contracts or grants authorized under this section to the subcommittees, the fiscal agencies, and the state budget office not later than 7 days before the department notifies contract or grant recipients.

(3) As used in this section:

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

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

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

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

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

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

(c) The estimated cost of this project is \$2,109,900.00.

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

BUREAU OF FOOD SAFETY AND ANIMAL HEALTH

Sec. 401. (1) The department shall report on the previous fiscal year's activities of the bureau of food safety and animal health. The report must include information on activities and outcomes of the dairy safety and inspection program, the food safety inspection program, the foodborne illness and emergency response program, and the food service program.

(2) The report must include information on significant foodborne outbreaks and emergencies, including any significant enforcement actions taken related to food safety during the prior calendar year.

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

(a) The reason for the indemnification.

(b) The amount of the indemnification.

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

(4) The report must be transmitted on or before April 1 of each year.

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

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

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

(a) Required surveillance testing for chronic wasting disease.

(b) Infected herd bovine TB testing.

Sec. 405. (1) On or before October 15 of each year, the department shall provide to the subcommittees, the fiscal agencies, and the state budget office a report on bovine TB status and department activities.

(2) For each fiscal quarter following the report required in subsection (1), the department shall provide an update. The quarterly update reports must identify significant impacts to the program, including new incidence of bovine TB in this state, department activity associated with specific new incidence of bovine TB, any changes in USDA requirements or movement orders, and information and data on wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements; efforts to work with slaughter facilities in this state, as well as those that slaughter a significant number of animals from this state; and educational programs and information for this state's livestock community.

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

BUREAU OF ENVIRONMENT AND SUSTAINABILITY

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

Sec. 502. (1) The purpose of the part 1 appropriation for agricultural climate resiliency is to promote the usage and implementation of best regenerative agricultural farming practices and new technologies related to environmental sustainability, including measures to address the impacts of climate change. Program goals include enhancing soil and plant health, soil carbon sequestration, efficient use of water, and protection of water resources.

(2) The purpose of the part 1 appropriation for soil health/regenerative agriculture is advancing the adoption of soil health and regenerative agriculture principles in agriculture in this state.

(3) From the funds appropriated in part 1 for agricultural climate resiliency and soil health/regenerative agriculture, the department shall do both of the following:

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

(i) The maintenance of soil cover.

(ii) The minimization of soil disturbance.

(iii) The maximization of plant and crop diversity.

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

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

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

(i) The integration of livestock into the cropping systems.

(ii) The increase of soil organic matter content.

(iii) The improvement of soil water infiltration capacity.

(iv) The increase in soil water holding capacity.

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

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

(vii) The reduction of nutrient losses.

(viii) The increase of carbon sequestration capacity of soil.

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

(5) No funds appropriated in part 1 for agricultural climate resiliency and soil health/regenerative agriculture may be used for applied research into the precision application of fertilizer, pesticides, or herbicides.

(6) It is the intention of the legislature that the department engage with program partners to achieve the purposes of the agricultural climate resiliency and soil health/regenerative agriculture programs through research, education, and outreach. Program partners include, but are not limited to, farmer-to-farmer networks, Michigan State University Extension, Michigan State University AgBioResearch, the USDA Natural Resources Conservation Service, local conservation districts, and other nongovernmental organizations. Agreements with program partners receiving funds through agricultural climate resiliency and soil health/regenerative agriculture appropriations must describe intended outcomes and how intended outcomes will be measured and require the provision of a report to the department on uses of funding received and a progress report on outcomes.

(7) The department may use state employees or contract service providers, or both, to achieve the purposes of the agricultural climate resiliency and soil health/regenerative agriculture programs.

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

(9) Of the funds appropriated in part 1 for agricultural climate resiliency, not less than \$6,100,000.00 must be used by the department to partner with the state land grant university through MSU Extension and AgBioResearch to develop, implement, and evaluate a soil health, regenerative agriculture, and climate resiliency program. The partnership described in this subsection must be focused on researching and assisting the agricultural industry in implementing climate resiliency, soil health, and regenerative agricultural principles and techniques. Partnership goals must include, but are not limited to, establishing program priorities, developing metrics, implementing goals, evaluating outcomes, and engaging with stakeholders.

Sec. 503. In addition to the report required under section 501, by April 1, the department shall prepare a report to be posted on the department's website and provided to the relevant house and senate standing committees and appropriations subcommittees as well as to the fiscal agencies and state budget office. The report must contain the following information for agriculture nutrient best management voluntary practices program:

- (a) The number and location of acres enrolled in nutrient management or other best management practices.
- (b) The number of acres enrolled that were not previously verified under the MAEAP.
- (c) A summary of practices implemented and available incentive programs.
- (d) The starting and ending balances of the program.
- (e) A summary of outreach and training efforts.
- (f) Testing results.

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

Sec. 506. The department may receive and expend federal revenues up to a total of \$1,000,000.00 in excess of the federal revenue appropriated in part 1 for environmental stewardship and MAEAP activities. The department shall notify the subcommittees, the fiscal agencies, and the state budget office prior to expending federal revenues authorized under this section.

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

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

LABORATORY AND CONSUMER PROTECTION BUREAU

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

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

AGRICULTURE DEVELOPMENT BUREAU

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

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

- (a) Expand the Michigan food and agriculture sector.
 - (b) Promote food security.
 - (c) Develop local and regional food systems.
 - (d) Grow Michigan exports.
 - (e) Promote the development of value-added agricultural production.
 - (f) Support urban farms, food hubs, food incubators, and community-based processing facilities with a focus on new and expanding protein processors.
 - (g) Promote the expansion of farm markets, flower markets, and urban agriculture, including hoop houses.
 - (h) Increase food processing activities within this state by accelerating investment projects and infrastructure development that support growth in production agriculture and food and agriculture processing, expand opportunity to new agricultural producers and processors, promote agriculture tourism and agricultural heritage, and develop agricultural education and interpretation activities.
- (3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside sources for the food and agriculture investment program.

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

(5) The department shall include, in the agriculture development annual report, a report on the food and agriculture investment program for the previous fiscal year that includes a listing of the grantees, award amounts, match funding, project locations, and project outcomes.

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

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

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

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

(d) The tentative completion date for the work project is September 30, 2027.

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

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

(f) Export assistance.

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

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

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

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

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

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

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

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

(a) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1, 2023.

(b) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1, 2024. The report must highlight counties and vendors added to the program since May 1, 2023.

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

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

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

- (a) The name of the grantee.
- (b) The amount of the grant.
- (c) The purpose of the grant, including measurable outcomes.
- (d) Additional state, federal, private, or local funds contributed to the grant project.
- (e) The completion date of grant-funded activities.

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

- (a) Council activities and accomplishments for the previous fiscal year.
- (b) Council expenditures for the previous fiscal year by category of administration, industry support, research and education grants, and promotion and consumer education.
- (c) Grants awarded during the previous fiscal year and the results of research grant projects completed during the previous fiscal year.
- (4) The report must identify grant recipients who are members of socially disadvantaged groups, women, veterans, and beginning farmers and ranchers.

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

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

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

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

- (a) Timely review of mailed applications and paperwork.
- (b) Timely and proactive communications to applicants on the status of their application.
- (c) The provision of a clear and understood timeline for the issuance of any tax credits.

FAIRS AND EXPOSITIONS

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

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

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

(b) Any remaining funds collected through September 30, 2024, after the obligations in subdivision (a) have been met, must be prorated equally among the county fairs, supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 803. From the funds appropriated in part 1 from purses and supplements – fairs/licensed tracks, \$720,000.00 may be spent only if there is no standardbred race meeting in this state that is licensed under the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336, by January 1, 2025.

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) The tentative completion date for the work project is September 30, 2027.

(8) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, 2025 that includes a listing of the grantees, award amounts, match funding, project outcomes, and department costs of grant administration.

ONE-TIME APPROPRIATIONS

Sec. 901. (1) From the 1-time funds appropriated in part 1 for underserved-owned food and agriculture ventures, the department shall create a grant program to expand underserved businesses in food and agriculture. Grant recipients must be majority underserved-owned or ventures that are providing access to predominately majority underserved-owned businesses.

(2) The unexpended funds appropriated in part 1 for underserved-owned food and agriculture ventures are designated as a work project appropriation, and any unencumbered or unallotted funds do not lapse at the end of the fiscal year and are available for expenditures for projects under this section until projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.145a:

(a) The purpose of the project is the expansion of underserved-owned businesses in food and agriculture.

(b) The project is to be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of this project is \$500,000.00.

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

Sec. 902. (1) From funds appropriated for the fruit and vegetable prescription program, the department shall allocate \$500,000.00 to expand the fruit and vegetable prescription program in Genesee County and allow participants to redeem prescriptions at qualified full-service grocery stores and farmer's markets participating in the program to positively impact the nutrition and health of children and families.

(2) On or before June 1, 2025, the administrators of the fruit and vegetable prescription program shall submit a report to the department, and the department shall then distribute the report to standard report recipients required on the activities and outcomes of the fruit and vegetable prescription program. The report must include a description of the program's activities and contain both of the following:

(a) The number of fruit and vegetable prescriptions redeemed.

(b) The dollar amount of fruit and vegetable prescriptions redeemed.

Sec. 903. The unexpended funds appropriated in part 1 for study of agriculture stewardship is designated as a work project appropriation, and any unencumbered or unallotted funds do not lapse at the end of the fiscal year and are available for expenditures for those projects until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.145a:

(a) The purpose of the project is to create a report on the goals of agriculture stewardship with recommendations as to future strategies to best achieve those goals.

(b) The project is to be accomplished by utilizing contracts with service providers.

(c) The estimated cost of this project is \$250,000.00.

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

ARTICLE 2
DEPARTMENT OF CORRECTIONS
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF CORRECTIONS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	16.0	
Full-time equated classified positions	13,211.0	
GROSS APPROPRIATION		\$ 2,147,379,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION		\$ 2,147,379,000
Federal revenues:		
Total federal revenues		5,180,500
Special revenue funds:		
Total local revenues		11,694,000
Total private revenues		0
Total other state restricted revenues		33,494,400
State general fund/general purpose		\$ 2,097,010,100

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	16.0	
Full-time equated classified positions	395.0	
Unclassified salaries—FTEs	16.0	\$ 2,294,100
Administrative hearings officers		3,988,000
Budget and operations administration—FTEs	303.0	43,990,400
Compensatory buyout and union leave bank		100
County jail reimbursement program		14,814,600
Employee wellness programming—FTEs	8.0	2,378,200
Equipment and special maintenance		1,559,700
Executive direction—FTEs	24.0	4,886,200
Judicial data warehouse user fees		50,600
New custody staff training		22,444,600
Prison industries operations—FTEs	60.0	10,188,800
Property management		2,479,200
Prosecutorial and detainer expenses		4,801,000
Worker's compensation		11,659,700
GROSS APPROPRIATION		\$ 125,535,200
Appropriated from:		
Federal revenues:		
DOJ, prison rape elimination act grant		674,700
Special revenue funds:		
Correctional industries revolving fund		10,188,800
Correctional industries revolving fund 110		721,600
Jail reimbursement program fund		5,900,000
State general fund/general purpose		\$ 108,050,100

Sec. 103. OFFENDER SUCCESS ADMINISTRATION

Full-time equated classified positions	343.9	
Community corrections comprehensive plans and services		\$ 14,198,100
Criminal justice reinvestment		2,548,400
Education/skilled trades/career readiness programs—FTEs	259.9	38,843,200
Enhanced food technology program—FTEs	11.0	1,680,800
Goodwill Flip the Script		1,250,000
Higher education in prison		1,250,000
Offender success community partners		19,175,000

		For Fiscal Year Ending Sept. 30, 2025
Offender success federal grants	\$	751,000
Offender success programming		15,742,200
Offender success services—FTEs	73.0	15,753,800
Probation residential services		14,575,500
Public safety initiative		2,000,000
GROSS APPROPRIATION	\$	127,768,000
Appropriated from:		
Federal revenues:		
DOJ, prisoner reintegration		751,000
Federal education funding		1,621,600
State general fund/general purpose	\$	125,395,400
Sec. 104. FIELD OPERATIONS ADMINISTRATION		
Full-time equated classified positions	1,880.5	
Field operations—FTEs	1,849.5	\$ 233,525,600
Parole board operations—FTEs	31.0	4,003,700
Parole/probation services		940,000
Residential alternative to prison program		1,500,000
GROSS APPROPRIATION	\$	239,969,300
Appropriated from:		
Special revenue funds:		
Community tether program reimbursement		275,000
Reentry center offender reimbursements		10,000
Supervision fees		6,630,500
Supervision fees set-aside		940,000
State general fund/general purpose	\$	232,113,800
Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION		
Full-time equated classified positions	681.0	
Body-worn cameras—FTEs	8.0	\$ 3,801,500
Central records—FTEs	43.0	5,035,100
Contraband prevention		1,000,000
Correctional facilities administration—FTEs	35.0	6,593,900
Housing inmates in federal institutions		511,000
Inmate housing fund		100
Inmate legal services		290,900
Intelligence unit—FTEs	30.0	4,021,500
Leased beds and alternatives to leased beds		100
Prison food service—FTEs	324.0	76,098,200
Prison store operations—FTEs	32.0	3,567,800
Transportation—FTEs	209.0	32,548,600
GROSS APPROPRIATION	\$	133,468,700
Appropriated from:		
Federal revenues:		
DOJ-BOP, federal prisoner reimbursement		411,000
SSA-SSI, incentive payment		272,000
Special revenue funds:		
Correctional industries revolving fund 110		874,600
Resident stores		3,567,800
State general fund/general purpose	\$	128,343,300
Sec. 106. HEALTH CARE		
Full-time equated classified positions	1,525.3	
Clinical complexes—FTEs	1,033.3	\$ 174,030,600
Health care administration—FTEs	18.0	3,727,700
Healthy Michigan plan administration—FTEs	12.0	1,045,000

		For Fiscal Year Ending Sept. 30, 2025
Hepatitis C treatment	\$	10,499,100
Interdepartmental grant to health and human services, eligibility specialists		120,200
Mental health and substance use disorder treatment services—FTEs	462.0	66,998,500
Prisoner health care services		117,540,700
Vaccination program		691,200
GROSS APPROPRIATION	\$	374,653,000
Appropriated from:		
Federal revenues:		
Federal revenues and reimbursements		415,400
Special revenue funds:		
Prisoner health care co-payments		257,200
State general fund/general purpose	\$	373,980,400
Sec. 107. CORRECTIONAL FACILITIES		
Full-time equated classified positions	8,381.3	
Alger Correctional Facility - Munising—FTEs	259.0	33,416,400
Baraga Correctional Facility - Baraga—FTEs	295.8	39,605,900
Bellamy Creek Correctional Facility - Ionia—FTEs	415.2	52,028,100
Carson City Correctional Facility - Carson City—FTEs	422.4	53,554,000
Central Michigan Correctional Facility - St. Louis—FTEs	386.6	50,609,400
Charles E. Egeler Correctional Facility - Jackson—FTEs	386.6	50,267,800
Chippewa Correctional Facility - Kincheloe—FTEs	443.6	56,465,900
Cooper Street Correctional Facility - Jackson—FTEs	254.6	32,433,000
Detroit Detention Center—FTEs	75.8	11,419,000
Earnest C. Brooks Correctional Facility - Muskegon—FTEs	248.2	33,461,400
G. Robert Cotton Correctional Facility - Jackson—FTEs	396.0	49,669,800
Gus Harrison Correctional Facility - Adrian—FTEs	304.0	39,797,900
Ionia Correctional Facility - Ionia—FTEs	293.3	38,157,900
Kinross Correctional Facility - Kincheloe—FTEs	247.3	34,594,900
Lakeland Correctional Facility - Coldwater—FTEs	275.4	36,356,400
Macomb Correctional Facility - New Haven—FTEs	313.3	41,215,200
Marquette Branch Prison - Marquette—FTEs	319.7	41,504,500
Muskegon Correctional Facility - Muskegon—FTEs	217.3	30,113,900
Newberry Correctional Facility - Newberry—FTEs	200.1	26,912,900
Oaks Correctional Facility - Eastlake—FTEs	289.4	38,522,200
Parnall Correctional Facility - Jackson—FTEs	266.1	33,090,000
Richard A. Handlon Correctional Facility - Ionia—FTEs	268.3	35,454,400
Saginaw Correctional Facility - Freeland—FTEs	276.9	36,529,700
Special Alternative Incarceration Program - Jackson—FTEs	26.2	4,035,900
St. Louis Correctional Facility - St. Louis—FTEs	306.6	41,548,200
Thumb Correctional Facility - Lapeer—FTEs	295.6	37,920,600
Womens Huron Valley Correctional Complex - Ypsilanti—FTEs	506.1	65,059,300
Woodland Correctional Facility - Whitmore Lake—FTEs	296.9	40,427,500
Northern region administration and support—FTEs	43.0	4,652,800
Southern region administration and support—FTEs	52.0	19,243,500
GROSS APPROPRIATION	\$	1,108,068,400
Appropriated from:		
Federal revenues:		
DOJ, state criminal assistance program		1,034,800
Special revenue funds:		
Local funds		11,419,000
State restricted fees, revenues and reimbursements		102,100
State general fund/general purpose	\$	1,095,512,500
Sec. 108. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	31,516,400
GROSS APPROPRIATION	\$	31,516,400

		For Fiscal Year Ending Sept. 30, 2025
Appropriated from:		
Special revenue funds:		
Correctional industries revolving fund 110	\$	183,000
Supervision fees set-aside		718,800
State general fund/general purpose	\$	30,614,600
Sec. 109. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	4.0	
Breast milk program—FTE	1.0	\$ 500,000
Higher education in prison		500,000
In-reach services expansion		500,000
Nation Outside		1,000,000
Peer-led reentry services		500,000
Thumb education center—FTEs	3.0	3,400,000
GROSS APPROPRIATION	\$	6,400,000
Appropriated from:		
Special revenue funds:		
Program and special equipment fund		3,400,000
State general fund/general purpose	\$	3,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$2,130,504,500.00 and state spending under part 1 from state sources to be paid to local units of government is \$123,656,000.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS		
Community corrections comprehensive plans and services	\$	14,198,100
County jail reimbursement program		14,814,600
Field Operations		71,766,700
Leased beds and alternatives to leased beds		100
Probation residential services		14,575,500
Prosecutorial and detainer expenses		4,801,000
Public safety initiative		2,000,000
Residential alternative to prison program		1,500,000
TOTAL	\$	123,656,000

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

- Sec. 203. As used in this part and part 1:
- (a) “Administrative segregation” means confinement for maintenance of order or discipline to a cell or room apart from accommodations provided for inmates who are participating in programs of the facility.
 - (b) “Department” means the department of corrections.
 - (c) “Director” means the director of the department.
 - (d) “DOJ” means the United States Department of Justice.
 - (e) “DOJ-BOP” means the DOJ Bureau of Prisons.
 - (f) “Evidence-based” means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.
 - (g) “FTE” means full-time equated position in the classified service of this state.
 - (h) “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, the length of stay in a jail, or to improve the utilization of a jail.
 - (i) “Jail” means a facility operated by a local unit of government for the physical detention and correction of individuals charged with or convicted of criminal offenses.
 - (j) “OCC” means the office of community corrections.

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

(l) “Recidivism” means that term as defined in section 1 of 2017 PA 5, MCL 798.31.

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

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

(o) “SSA” means the United States Social Security Administration.

(p) “SSA-SSI” means SSA supplemental security income.

(q) “Standard report recipients” means the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the senate and house policy offices, the legislative corrections ombudsman, and the state budget office.

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

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

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department or a prisoner because the employee or prisoner communicates with a member of the legislature or legislative staff unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,500,000.00 for federal contingency authorization. Amounts appropriated are not available for expenditure until they have been transferred to another line item in part 1 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 \$2,000,000.00 for local contingency authorization. Amounts appropriated are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 213. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 214. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises 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 geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 215. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the standard report recipients and to the senate and house appropriations committees.

Sec. 217. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 218. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients and to the senate and house appropriations committees, the joint committee on administrative rules, the senate standing committee on civil rights, judiciary, and public safety, and the house standing committee on criminal justice.

Sec. 219. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 220. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. 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. 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.

Sec. 302. From the funds appropriated in part 1, the department must submit a report not later than March 1 that includes an assessment of the cost and also details the effects on staffing since corrections officers and corrections medical officers were allowed to reach the highest level of pay within 3 years of service instead of reaching it within 5 years of service.

Sec. 303. From the funds appropriated in part 1, the department shall submit a report not later than March 1 on the department's staff retention strategies. The report must include, but not be limited to, all of the following:

(a) The department's strategies on how to improve employee engagement, how to improve employee wellness, and how to offer additional training and professional development for employees, including metrics the department is using to measure success of employee wellness programming.

(b) Mechanisms by which the department receives employee feedback in areas under subdivision (a) and how the department considers suggestions made by employees.

(c) Steps the department has taken, and future plans and goals the department has for retention and improving employee wellness.

Sec. 304. (1) From the funds appropriated in part 1, the department shall submit a report not later than March 1 on the number of employee departures. The report must include all of the following:

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

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

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

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

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

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

(2) The department shall review all reasons for employee departures and summarize in the report required under this section the primary reasons for departure for each of the ranges of years of service described under subdivision (1)(b) based on the available responses.

Sec. 305. Funds appropriated in part 1 for prosecutorial and detainer expenses must be used to 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. 306. The department shall provide fiduciary oversight of funds received under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 307. From the funds appropriated in part 1, the department shall issue a report not later than March 1 for all vendor contracts. The report must cover service contracts with a value of \$500,000.00 or more and include all of the following:

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

(b) The number of available option years.

(c) The number, if any, of contract compliance monitoring site visits completed by the department for each vendor.

(d) The number and amount of fines, if any, for service-level agreement noncompliance for each vendor broken down by area of noncompliance.

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

(a) Changes to telephone rates.

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

(c) Rebidding the telephone contract.

Sec. 309. From the funds appropriated in part 1, the department shall provide for the training of 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 must be incorporated into the training of new custody staff.

Sec. 310. From the funds appropriated in part 1, the department shall issue a report for all correctional facilities not later than January 1 that includes all of the following information for each facility:

- (a) The name, street address, and date of construction.
- (b) The current maintenance costs.
- (c) Any maintenance planned.
- (d) The current utility costs.
- (e) The expected future capital improvement costs.
- (f) The current unspent balance of any authorized capital outlay projects, including the original authorized amount.
- (g) The expected future useful life.

Sec. 311. From the funds appropriated in part 1, the department shall provide a report on the Michigan state industries program not later than December 1. The report must include, but is not limited to, all of the following information:

- (a) The locations of the programs.
- (b) The total number of participants at each location.
- (c) A description of job duties and typical inmate schedules, and the products that are produced.
- (d) How the program provides marketable skills that lead to employable outcomes after release from a department facility.

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

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

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

- (a) The number of new employee schools that took place and the location of each.
- (b) The number of recruits that started in each employee school.
- (c) The number of recruits that graduated from each employee school and continued employment with the department.

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

- (a) Internal sources of recruitment, including transfers and promotions.
- (b) External sources of recruitment, including advertisements.
- (c) Job portals, social networking platforms, placement agencies, job fairs, campus placements, or professional entities used for recruitment.
- (d) Whether the department's website was used to advertise vacancies.

Sec. 314. From the funds appropriated in part 1, the department shall submit a quarterly report on the number of overtime hours worked by all custody staff, by facility. The report must include, for each facility, the reasons for overtime hours worked and the average number of overtime hours worked by active employees.

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

- (a) Providing continuing access to behavioral health, physical health, and medication needs through community-based providers.
- (b) Establishing assistance program eligibility and participation.
- (c) Collaborating with community service providers for continued care and access to services for offenders.
- (d) Providing ongoing cognitive and behavioral treatment programming in the community.
- (e) Providing substance abuse testing and referrals for counseling services and treatment.
- (f) Providing vocational skill training, job placement support, and monitoring employment attainment.
- (g) Determining educational attainment and needs.
- (h) Establishing accurate offender identification, criminal histories, and monitoring new criminal activity.
- (i) Measuring and evaluating treatment programs and services in support of evidence-based practices.

Sec. 317. From the funds appropriated in part 1, the department shall submit 3-year and 5-year prison population projection updates not later than April 1, including explanations of the methodology and assumptions used in developing the projection updates.

Sec. 318. From the funds appropriated in part 1, the department shall place the statistical report from the immediately preceding calendar year on a website not later than June 30. The statistical report must include, but not be limited to, the information as provided in the 2004 statistical report.

Sec. 319. From the funds appropriated in part 1, the department shall report the reincarceration recidivism rates of offenders based on available data.

Sec. 320. (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) The county jail reimbursement program must be used to 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 subdivision (a).

(c) The felon was sentenced to jail for a felony committed while the felon 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.

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

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

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

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

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

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

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

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

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

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

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

(7) As used in this section:

(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 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 offenses, 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 either is housed in a county jail, is in custody but is being housed at a hospital or medical facility for a medical or mental health purpose, or has been released from jail and is being monitored through the use of the sheriff’s electronic monitoring system.

Sec. 321. (1) From the funds appropriated in part 1, the department shall provide all of the following information on the offender population in a monthly report:

- (a) Prison population by facility and security level, including the population of prisoners under the department’s jurisdiction housed in county jails.
- (b) Net operating capacity according to the most recent certification report.
- (c) Electronic monitoring populations.
- (d) Parole populations.
- (e) Probation populations, with identification of the number of offenders in special alternative incarceration.

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

- (a) The number of closed housing units and beds in those units, including the security level of closed beds.
- (b) The number of prisoners serving life sentences.
- (c) The number of prisoners classified as past their earliest release date.
- (d) The number of prisoner intakes during the previous quarter.
- (e) The number of prisoner exits, including paroles, maximum discharges, and other exits during the previous quarter.

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

Sec. 322. (1) On a quarterly basis, the department shall report on all of the following:

- (a) A detailed accounting of all vacant positions that exist within the department.
- (b) A detailed accounting of all correction officer positions at each correctional facility, including positions that are filled and positions that are vacant by facility.
- (c) A detailed accounting of all vacant positions that are health care related.
- (d) A detailed accounting of vacant positions that are being held open for temporarily nonactive employees.

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

Sec. 323. 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, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 324. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department’s central office in Lansing and at both the northern and southern region administration offices.

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

OFFENDER SUCCESS ADMINISTRATION

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

- (a) The number of individuals who received transitional housing services.
- (b) The average length of stay in transitional housing.
- (c) The number of individuals who received a referral for economic stability assistance and the number of referred individuals who secured employment or enrolled in education/training to increase economic stability.
- (d) The number of referred individuals who maintained employment for 12 months or more.
- (e) The total amount of leveraged services secured by the contractor.

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

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

Sec. 403. From the funds appropriated in part 1 for offender success services, the department, when reasonably possible, shall ensure that inmates have potential employer matches in the communities to which they will return prior to each inmate's initial parole hearing.

Sec. 404. (1) From the funds appropriated in part 1, the department shall design services for offender success and vocational education programs, collaborating with the department of labor and economic opportunity and local entities to the extent deemed necessary by the director. The department shall ensure the program provides relevant professional development opportunities to prisoners that are high quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside after their release from correctional facilities.

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

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

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

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

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

Sec. 407. (1) From the funds appropriated in part 1, the department shall submit the following information for each county and counties consolidated for community corrections comprehensive plans:

(a) Approved technical assistance grants and community corrections comprehensive 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 drunk driver jail reduction and community treatment program.

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

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

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

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

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

(2) Universities and colleges that receive funding under this section must report not later than July 1 on all of the following:

(a) Expenditure of funds.

(b) Number of participants served.

(c) Enrollments, by race and gender.

(d) Number of participants who completed the program.

Sec. 411. From the funds appropriated in part 1 for enhanced food technology program, the department shall maintain a program that provides on-the-job training in prison kitchens that provides prisoners the opportunity to earn food service training credentials recognized by the restaurant industry. The department shall use the funds appropriated in part 1 for enhanced food technology program to collaborate with the Michigan Restaurant and Lodging Association and other restaurant industry stakeholders to provide job placement assistance to individuals on probation or parole.

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

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

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

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

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

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

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

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

(a) Alternative sentencing programs in partnership with a local district or circuit court.

(b) Educational recovery for special adult populations with high rates of illiteracy.

(c) Career development and continuing education.

(d) Financial counseling and coaching services.

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

(a) Program performance measurements.

(b) The number of individuals diverted from incarceration.

(c) The number of individuals served.

(d) The outcomes of participants who completed the program.

Sec. 415. From the funds appropriated in part 1, the department shall report not later than March 1 on academic and vocational programs, including, but not limited to, all of 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 do not complete each program, and the number of prisoners on waiting lists for each program.

(c) The racial demographics of prisoners enrolled in each program.

(d) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.

(e) The number of prisoners paroled without a high school diploma or a high school equivalency.

(f) The number of prisoners not paroled at their earliest release date because of a lack of a high school equivalency and the reason those prisoners have not obtained a high school equivalency.

Sec. 416. From the funds appropriated in part 1, priority may be given to funding reentry or rehabilitation programs, including faith-based initiatives, that have been demonstrated to reduce prison violence and recidivism.

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

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

(3) The department shall report on programs described under this section not later than March 30. The report must include all of the following:

- (a) The reincarceration recidivism rate of program participants.
- (b) The employment rate of participants who complete the program.
- (c) The cost of the program per participant.

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

Sec. 419. From the funds appropriated in part 1, the department shall report on the department's plans to eliminate programming for prisoners. The report must be provided not less than 30 days before program elimination. As used in this section, "programming for prisoners" means a department core program or career and technical education program funded in part 1.

FIELD OPERATIONS ADMINISTRATION

Sec. 501. From the funds appropriated in part 1, the department shall prepare individual reports not later than March 1 for the residential reentry program, the electronic monitoring program, and the special alternative to incarceration program. Each program's report must include information on all of the following:

(a) Monthly new participants by type of offender. Residential reentry program participants must be categorized by reason for placement. For technical rule violators, the report must 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-of-month population by facility and 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 previous year statistics.

(j) Analysis of the impact on prison admissions, jail utilization, and the cost effectiveness of the program.

Sec. 502. (1) From the funds appropriated in part 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, from the funds appropriated in part 1, 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) Not later than April 1, the department shall provide a report on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the previous fiscal year. The report must include the following information for probationers, for parolees after their first parole, and for 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 use disorder violations. For parole technical rule violators, the report must 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 high school equivalency or high school diploma before incarceration in prison, how many received a high school equivalency while in prison, and how many received a vocational certificate while in prison.

(d) The number of offenders who participated in the reentry program versus the number of those who did not.

(e) The unduplicated number of offenders who participated in substance use disorder treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

Sec. 503. From the funds appropriated in part 1 for residential alternative to prison program, the department shall provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the west Michigan probation violator population. The department must ensure that all of the following program goals are attained:

(a) Participants successfully complete the program.

(b) Participants completing the program earn a nationally recognized credential for a career or vocational program.

(c) Participants completing the program earn a certificate of completion for cognitive programming.

(d) Reduction of the prison commitment rate for probation violators within the impacted geographic area.

Sec. 504. From the funds appropriated in part 1, the department shall issue quarterly reports for the previous 4 quarters detailing outcomes of prisoners who have been reviewed for parole. The report must include all of the following:

(a) How many prisoners in each quarter were reviewed.

(b) How many prisoners were granted parole.

(c) How many prisoners were denied parole.

(d) How many parole decisions were deferred.

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

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

(g) The reason for denying or deferring parole.

HEALTH CARE

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

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

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

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

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

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

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

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

(a) The number of inpatient hospital days.

(b) The number of outpatient visits.

(c) The number of emergency room visits.

(d) The number of prisoners receiving off-site inpatient medical care.

(e) The top 10 most common chronic care conditions.

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

- (a) The total amount spent on specialty medication for the treatment of Hepatitis C.
- (b) The number of prisoners who were treated for Hepatitis C.
- (c) The amount of any rebates that were received from the purchase of specialty medication, and what, if any, outstanding rebates are expected to be received.
- (d) The Hepatitis C status of all incoming prisoners and the number of prisoners who are reinfected while incarcerated and require retreatment for Hepatitis C.
- (e) The number of those treated and released and then retreated upon reincarceration.

Sec. 605. Not later than March 1, the department shall provide an annual report on the utilization of Medicaid benefits for prisoners.

Sec. 606. Not later than March 1, the department shall report on the number of prisoners who received medication-assisted therapies. The report must include, but not be limited to, all of the following:

- (a) The length of time each prisoner received those therapies.
- (b) The number of prisoners who have discontinued treatment while incarcerated.
- (c) A listing of the medications used in medication-assisted therapies.
- (d) The number of prisoners prescribed each medication listed in subdivision (c).

Sec. 607. (1) From the funds appropriated in part 1 for mental health and substance use disorder treatment, the department must maintain not less than 3 medication-assisted treatment clinics at correctional facilities that allow the department to treat the highest number of prisoners with opioid use disorder as possible. Funding must be used by the department to support costs of staff, including nurses, qualified mental health professionals, recovery coaches, and corrections officers, and costs of medication and supplies. Participating prisoners must be provided with the option of receiving 1 injection of medication immediately before being released from prison into the community.

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

- (a) Clinic site locations.
- (b) Staffing levels.
- (c) Expenditures on staffing and supplies, including oral and injectable medications.
- (d) Number of prisoners treated.
- (e) Number of prisoners requiring treatment but not yet receiving treatment.

CORRECTIONAL FACILITIES AND ADMINISTRATION

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

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

- (b) Food service-related contracts, including goods or services to be provided and the vendor.
- (c) Major sanitation violations.

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

- (a) New custody staff training.
- (b) Prison industries operations.
- (c) Education/skilled trades/career readiness programs.
- (d) Enhanced food technology program.
- (e) Offender success programming.
- (f) Central records.
- (g) Correctional facilities administration.

- (h) Housing inmates in federal institutions.
- (i) Inmate legal services.
- (j) Leased beds and alternatives to leased beds.
- (k) Prison food service.
- (l) Prison store operations.
- (m) Transportation.
- (n) Health care.
- (o) Correctional facilities.
- (p) Northern and southern region administration and support.

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

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

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

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

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

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

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

- (a) Corrections officers to prisoners.
- (b) Shift command staff to line custody staff.
- (c) Noncustody institutional staff to prisoners.

Sec. 707. (1) From the funds appropriated in part 1, the department shall focus on providing required programming to prisoners who are past their earliest release date and have not been paroled because of not having received the required programming. Programming includes, but is not limited to, violence prevention programming, sexual abuse prevention programming, substance use disorder programming, thinking for a change programming, and any other programming that is required as a condition of parole.

(2) To the extent feasible, the department shall consistently provide prisoner programming with the goal of having prisoners complete recommended cognitive programming as early as possible during the prisoner's sentence to impact the prisoner's behavior while incarcerated. Nothing in this section makes parole denial appealable in court.

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

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

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

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

Sec. 708. If a pregnant prisoner in a facility funded from appropriations in part 1 consents to a visitor being present, the department shall allow that 1 person to be present during the prisoner's labor and delivery, in addition to a doula being present if the pregnant prisoner wants to work with a doula. The person allowed to accompany the prisoner must be an immediate family member, legal guardian, spouse, or domestic partner. The department is authorized to deny access to a visitor if the department has a safety concern with that visitor's access. The department is authorized to conduct a criminal background check on the visitor.

Sec. 709. From the funds appropriated in part 1, the department shall evaluate all prisoners at intake for substance use disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders must not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. A prisoner with serious mental illness or serious developmental disorder that is unresponsive to treatment who presents a persistent high violence risk or engages in severe disruptive behavior may be placed in secure residential housing programs that facilitate access to institutional

programming and ongoing mental health services funded from appropriations in part 1. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs must be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 710. (1) From the funds appropriated in part 1, the department shall report not later than March 1 on the annual number of prisoners during the previous fiscal year in administrative segregation and, of those, the number who at any time during the current or previous 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.

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

- (a) A continuous period exceeding 3 months but less than 6 months.
- (b) A continuous period exceeding 6 months but less than 12 months.
- (c) A continuous period exceeding 12 months or longer.

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

Sec. 711. 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 18 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 18 years of age. Not later than April 1, the department shall report on the training curriculum used and the number and types of staff receiving annual training under that curriculum.

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

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

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

- (a) The total number of inmates under age 18 who are not on Holmes youthful trainee act status.
- (b) The total number of inmates under age 18 who are on Holmes youthful trainee act status.
- (c) The total number of inmates aged 18 to 23 who are on Holmes youthful trainee act status.

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

- (a) The number of prisoners who lost visiting privileges by race and by violation type.
- (b) The number of cumulative days visitation rights were lost since the start of the fiscal year.
- (c) The number of prisoners who applied to have visiting privileges restored.
- (d) The number of prisoners who had visiting privileges restored.
- (e) The number of prisoners who had visiting restrictions extended.

Sec. 714. Funds appropriated in part 1 for intelligence unit must be used by the department to maintain an intelligence unit to conduct investigatory and intelligence operations for the department. Intelligence operations must include, but not be limited to, intelligence operations for prisoner phone services. Savings that result from transferring responsibility for intelligence operations from the contractor to the department must be passed on to prisoners and prisoners' families as the department continues to negotiate lower phone call rates in all future contracts. The department must continue to pursue all opportunities for reducing further the cost of phone calls for prisoners and prisoners' families.

Sec. 715. (1) From the funds appropriated in part 1, the department must submit a preliminary report on the department's plans to close, consolidate, or relocate any correctional facility in the state. The preliminary report must be provided not less than 30 days before the effective date of the closure, consolidation, or relocation. The preliminary report must include the projected savings to the state from closure, consolidation, or relocation of the facility and must include a projection of the potential impact on staff positions.

(2) After a prison closure, consolidation, or relocation, the department must submit a report on the actual savings achieved by the department and the impact on staff positions. Savings amounts and impact on staff positions must be itemized by facility. The report required under this subsection must be submitted 6 months after the prison closure, consolidation, or relocation.

(3) If the department is planning to close a correctional facility, the department must complete an analysis of the potential economic impact of the correctional facility closure on the local community where the facility is located. The analysis must be submitted within 30 days of the department's announcement regarding closure of the facility.

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

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

- (a) How to put money into prisoner accounts.
- (b) How to make telephone calls or create Jpay email accounts.
- (c) How to visit in person.
- (d) Proper procedures for filing complaints or grievances.
- (e) The rights of prisoners to physical and mental health care.
- (f) The purpose and importance of prisoners signing a medical release of information form.
- (g) How to utilize the offender tracking information system (OTIS).
- (h) Truth in sentencing and how it applies to minimum sentences.
- (i) The parole process.
- (j) Guidance on the importance of the role of families in the reentry process.

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

ONE-TIME APPROPRIATIONS

Sec. 801. (1) Funds appropriated in part 1 for breast milk program must be used to fund a program to provide breast milk to the newborns of postpartum prisoners.

(2) From the funds appropriated in part 1, the department shall work in collaboration with Mama's Mobile Milk to develop a contract for delivery services to ensure that every incarcerated individual who has given birth within the last 18 months has an opportunity to express breast milk for delivery to the child. Funds appropriated in part 1 must be used by the department to ensure that participating incarcerated individuals have access to necessary supplies, including a breast pump and appropriate, sanitary containers, and suitable sanitary storage of expressed milk while milk is in the department's possession.

(3) The department, its officials, and employees are immune from criminal and civil liability arising out of their involvement with the process set forth in this program.

(4) Mama's Mobile Milk shall submit quarterly reports on all of the following:

- (a) The number of incarcerated individuals participating in the program.
- (b) The length of time incarcerated individuals participate.
- (c) The racial demographics of incarcerated individuals participating.
- (d) The location of infants served.
- (e) The custodial responsibility of infants served.

(5) Unexpended funds appropriated in part 1 for breast milk program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund a program to provide breast milk to the newborns of postpartum prisoners.

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

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 802. In addition to the \$900,000.00 in ongoing funding appropriated in part 1 for offender success services to provide in-reach services, the department must allocate \$500,000.00 in 1-time funding for the same purpose. Funding must be used to expand the provision of in-reach parole planning services to all parolees prior to release from prison.

Sec. 803. (1) Funds appropriated in part 1 for Nation Outside must be used by the department to support a contract with the goal of supporting statewide peer-led reentry programming. The contract must include peer-led group mentoring, along with 1-on-1 peer mentoring for referred parolees to improve housing, civic engagement, transportation, education, employment, and access to health care and insurance.

(2) From the funds appropriated in part 1 for Nation Outside, the program must enlist Wayne State University to perform an independent program evaluation of the pilot program.

(3) By July 1, Nation Outside must submit a report that includes all of the following information, as applicable:

- (a) A list of program expenditures.
- (b) The number of enrollees.
- (c) The number of job placements.
- (d) The rate of 30-day, 90-day, and 2-year employment retention post release.
- (e) The number of individuals who successfully complete a court-ordered sentence.
- (f) The 1-, 2-, and 3-year return to prison rates, if available.
- (g) Outcomes and performance measures.

Sec. 804. In addition to the \$1,500,000.00 in ongoing funding appropriated in part 1 for offender success community partners to provide peer-led reentry services, the department must allocate \$500,000.00 in 1-time funding for the same purpose. Funding must be used to expand the provision of peer-led reentry services to parolees.

Sec. 805. (1) Unexpended funds appropriated in part 1 for Thumb education center are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide education and vocational training at the Thumb Correctional Facility.

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

(c) The total estimated cost of the project is \$3,400,000.00.

(d) The tentative completion date is September 30, 2028.

ARTICLE 3
DEPARTMENT OF EDUCATION
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2025 from the following funds:

DEPARTMENT OF EDUCATION		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	568.5	
GROSS APPROPRIATION	\$	164,975,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	164,975,100
Federal revenues:		
Total federal revenues		82,550,500
Special revenue funds:		
Total local revenues		5,868,500
Total private revenues		2,542,200
Total other state restricted revenues		10,117,800
State general fund/general purpose	\$	63,896,100

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	11.0	
Unclassified salaries—FTE positions	6.0\$	1,155,600
Education commission of the states		120,800
State board of education, per diem payments		24,400
State board/superintendent operations—FTEs	11.0	2,527,000
GROSS APPROPRIATION	\$	3,827,800

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Federal revenues:		
Federal revenues	\$	306,600
Special revenue funds:		
Private foundations		80,000
Certification fees		835,100
State general fund/general purpose	\$	2,606,100
Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated classified positions	44.6	
Central support operations—FTEs	41.6\$	6,742,600
Federal and private grants		3,000,000
Grant and contract operations—FTEs	3.0	2,029,900
Property management		3,985,000
Terminal leave payments		353,300
Training and orientation workshops		150,000
Worker's compensation		6,200
GROSS APPROPRIATION	\$	16,267,000
Appropriated from:		
Federal revenues:		
Federal indirect revenues		2,296,800
Federal revenues		5,539,100
Special revenue funds:		
Private foundations		1,000,000
Certification fees		616,800
Teacher testing fees		80,600
Training and orientation workshop fees		150,000
State general fund/general purpose	\$	6,583,700
Sec. 104. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	4,783,400
GROSS APPROPRIATION	\$	4,783,400
Appropriated from:		
Federal revenues:		
Federal indirect revenues		2,421,500
Federal revenues		70,600
Special revenue funds:		
Certification fees		977,400
State general fund/general purpose	\$	1,313,900
Sec. 105. SPECIAL EDUCATION SERVICES		
Full-time equated classified positions	47.0	
Special education operations—FTEs	47.0\$	9,555,600
GROSS APPROPRIATION	\$	9,555,600
Appropriated from:		
Federal revenues:		
Federal revenues		8,955,700
Special revenue funds:		
Private foundations		111,800
Certification fees		49,200
State general fund/general purpose	\$	438,900
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
Full-time equated classified positions	82.0	
ASL literacy resources	\$	1,000,000
Camp Tuhsmeheeta—FTE	1.0	1,000,400
Low incidence outreach program		1,000,000

		For Fiscal Year Ending Sept. 30, 2025
Michigan schools for the deaf and blind operations—FTEs	81.0\$	16,714,000
Private gifts - blind		200,000
Private gifts - deaf		150,000
GROSS APPROPRIATION	\$	20,064,400
Appropriated from:		
Federal revenues:		
Federal revenues		7,639,400
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		5,868,500
Gifts, bequests, and donations		1,350,400
Low incidence outreach fund		1,000,000
Student insurance revenue		206,100
State general fund/general purpose	\$	4,000,000
Sec. 107. EDUCATOR EXCELLENCE		
Full-time equated classified positions	53.0	
Educator excellence operations—FTEs	52.0\$	10,480,000
Educator recruitment and preparation programs—FTE	1.0	1,675,600
Teacher license renewals		280,000
GROSS APPROPRIATION	\$	12,435,600
Appropriated from:		
Federal revenues:		
Federal revenues		3,173,000
Special revenue funds:		
Certification fees		4,190,100
Teacher testing fees		203,300
State general fund/general purpose	\$	4,869,200
Sec. 108. SYSTEMS, EVALUATION, AND TECHNOLOGY		
Full-time equated classified positions	18.0	
Office of systems, evaluation, and technology operations—FTEs	18.0\$	3,132,900
GROSS APPROPRIATION	\$	3,132,900
Appropriated from:		
Federal revenues:		
Federal indirect revenues		145,500
Federal revenues		1,656,800
Special revenue funds:		
Certification fees		11,000
State general fund/general purpose	\$	1,319,600
Sec. 109. STRATEGIC PLANNING AND IMPLEMENTATION		
Full-time equated classified positions	6.0	
Strategic planning and implementation operations—FTEs	6.0\$	1,194,100
GROSS APPROPRIATION	\$	1,194,100
Appropriated from:		
Federal revenues:		
Federal revenues		643,100
State general fund/general purpose	\$	551,000
Sec. 110. ADMINISTRATIVE LAW SERVICES		
Full-time equated classified positions	2.0	
Administrative law operations—FTEs	2.0\$	1,424,500
GROSS APPROPRIATION	\$	1,424,500
Appropriated from:		
Federal revenues:		
Federal revenues		573,300
Special revenue funds:		
Certification fees		745,800
State general fund/general purpose	\$	105,400

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 111. ACCOUNTABILITY SERVICES		
Full-time equated classified positions	63.6	
Accountability services operations—FTEs	63.6\$	14,921,300
GROSS APPROPRIATION	\$	14,921,300
Appropriated from:		
Federal revenues:		
Federal revenues		12,981,800
State general fund/general purpose	\$	1,939,500
Sec. 112. SCHOOL SUPPORT SERVICES		
Full-time equated classified positions	82.6	
Adolescent and school health	\$	334,100
School support services operations—FTEs	82.6	15,969,300
GROSS APPROPRIATION	\$	16,303,400
Appropriated from:		
Federal revenues:		
Federal revenues		13,127,300
Special revenue funds:		
Commodity distribution fees		150,000
State general fund/general purpose	\$	3,026,100
Sec. 113. EDUCATIONAL SUPPORTS		
Full-time equated classified positions	84.7	
Educational supports operations—FTEs	84.7\$	17,696,000
Michigan core curriculum		750,000
GROSS APPROPRIATION	\$	18,446,000
Appropriated from:		
Federal revenues:		
Federal revenues		13,175,600
Special revenue funds:		
Certification fees		602,400
State general fund/general purpose	\$	4,668,000
Sec. 114. CAREER AND TECHNICAL EDUCATION		
Full-time equated classified positions	25.0	
Career and technical education operations—FTEs	25.0\$	5,668,700
GROSS APPROPRIATION	\$	5,668,700
Appropriated from:		
Federal revenues:		
Federal revenues		4,099,200
State general fund/general purpose	\$	1,569,500
Sec. 115. LIBRARY OF MICHIGAN		
Full-time equated classified positions	33.0	
Library of Michigan operations—FTEs	31.0\$	5,173,000
Library services and technology program—FTE	1.0	5,630,700
Michigan eLibrary—FTE	1.0	1,740,800
Renaissance zone reimbursements		2,200,000
State aid to libraries		16,567,700
GROSS APPROPRIATION	\$	31,312,200
Appropriated from:		
Federal revenues:		
Federal revenues		5,630,700
Special revenue funds:		
Library fees		300,000
State general fund/general purpose	\$	25,381,500

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 116. PARTNERSHIP DISTRICT SUPPORT		
Full-time equated classified positions	13.0	
Partnership district support operations—FTEs	13.0\$	3,638,200
GROSS APPROPRIATION	\$	3,638,200
Appropriated from:		
Federal revenues:		
Federal revenues		114,500
State general fund/general purpose	\$	3,523,700
Sec. 118. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	3.0	
Charter school transparency database—FTE	1.0\$	150,000
Community health worker career center		325,000
Mental health training		275,000
Michigan test for teacher certification reimbursement		1,100,000
School infrastructure and consolidation administration—FTEs	2.0	150,000
GROSS APPROPRIATION	\$	2,000,000
Appropriated from:		
State general fund/general purpose	\$	2,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$74,013,900.00 and state spending under part 1 from state sources to be paid to local units of government is \$19,242,700.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION	
Community health worker career center	325,000
Renaissance zone reimbursements	2,200,000
School support services operations	150,000
State aid to libraries	16,567,700
TOTAL	\$ 19,242,700

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

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

- (a) “Department” means the department of education.
- (b) “DHHS” means the department of health and human services.
- (c) “District” means a local school district as that term is defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as that term is defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (d) “FTE” means full-time equated.
- (e) “HHS” means the United States Department of Health and Human Services.
- (f) “Standard report recipients” means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on a website.

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$400,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$250,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$1,500,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the state superintendent of public instruction shall take all reasonable steps to ensure that geographically disadvantaged business enterprises compete for and perform contracts to provide services,

supplies, or both. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, “geographically disadvantaged business enterprises” means that term as defined in Executive Directive No. 2023-1.

Sec. 216. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 218. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 222. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 223. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

DEPARTMENT-SPECIFIC GENERAL SECTIONS

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

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

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

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

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

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

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

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

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

- (a) Using trauma-informed practices.
- (b) Age-appropriate education and information on human trafficking.
- (c) Age-appropriate education and information on sexual abuse prevention.

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

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

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

- (a) State board of education - president - \$110.00 per day.
- (b) State board of education - member other than president - \$100.00 per day.
- (2) The department shall not pay a state board of education member a per diem for more than 30 days per year.

SPECIAL EDUCATION SERVICES

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

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

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

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

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

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

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

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

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

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

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

- (a) Document reproduction and services.
- (b) Conducting conferences, workshops, and training classes.
- (c) Providing specialized equipment, facilities, and software.

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

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

EDUCATOR EXCELLENCE

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

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

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

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

- (a) Educator preparation program tuition, program fees, testing fees, and substitute permit costs for any individual employed in grades pre-k to 12 working toward certification or an additional endorsement.
- (b) Program costs associated with hands-on learning experiences for students in grades 6 to 12 interested in the field of education, with supervision and mentoring from educators who are champions of, and committed to, the success of the profession.

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

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

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

SCHOOL SUPPORT SERVICES

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

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

- (a) Conflicts of interest, including, but not limited to, the application of section 1203 of the revised school code, 1976 PA 451, MCL 380.1203.
- (b) Labor relations, including, but not limited to, a school board’s role in collective bargaining agreements in 1947 PA 336, MCL 423.201 to 423.217, and in other laws related to employment.
- (c) Education law, including, but not limited to, the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896, the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and 1937 (Ex Sess) PA 4, MCL 38.71 to 38.191, dealing with teacher tenure.
- (d) School finance, including, but not limited to, the creation and management of school district budgets.
- (e) Board governance, including, but not limited to, roles and responsibilities, parliamentary procedure, and best practices.

- (f) Implicit bias training.
- (g) Rater reliability training.

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

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

(4) As used in this section:

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

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

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

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

EDUCATIONAL SUPPORTS

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

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

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

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

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

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

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

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

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

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

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

LIBRARY OF MICHIGAN

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

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

(a) Document reproduction and services.

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

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

Sec. 804. (1) The department shall use the funds appropriated in part 1 for renaissance zone reimbursements to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2024. The department shall allocate the funds not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

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

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

ONE-TIME APPROPRIATIONS

Sec. 1100. From the funds appropriated in part 1 for charter school transparency database, the department shall develop and maintain an interactive website where parents and community members can access information about their charter schools.

Sec. 1101. (1) From the funds appropriated in part 1 for mental health training, the department shall allocate no less than \$110,000.00 to DHHS to deliver training to mental health providers, administrators, and superintendents in eligible districts.

(2) From the funds appropriated in part 1 for mental health training, all money remaining after the money allocated in subsection (1) shall be used to support activities and FTE position in section 604.

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

(a) The purpose of the project is to provide technical assistance and training to intermediate school districts and local school districts for mental health administration.

(b) The project will be accomplished by the department or through a contractor.

(c) The total estimated cost for the work project is \$275,000.00.

(d) The tentative completion date is September 30, 2029.

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

Sec. 1102. (1) From the funds appropriated in part 1 for community health worker career center, the department shall allocate funds to local school districts or intermediate school districts to develop an ongoing CHW certification program.

(2) Recipients of these funds shall develop a CHW certification program that can be duplicated by other districts or intermediate districts.

(3) Allowable expenditures of funds under subsection (2) include, but are not limited to, the following:

(a) Hiring or contracting staff to develop or administer the CHW certification program.

(b) Costs associated with curriculum development.

(c) Costs associated with obtaining CHW certificates materials.

(d) Costs associated with career and technical education accreditation fees.

(e) Any other service or product necessary to develop a CHW certification program as approved by the department.

(4) Districts or intermediate districts must apply for the funding in a form and manner as determined by the department.

(5) The department shall make payments under this section on a schedule determined by the department.

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

(a) The purpose of the project is to create a CHW certification program.

(b) The project will be accomplished by the department, districts, and ISDs.

(c) The total estimated cost for the work project is \$325,000.00.

(d) The tentative completion date is September 30, 2026.

(7) From the funds appropriated in this section, there is appropriated an amount not to exceed \$50,000.00 for the department to create a grant application and cover other administrative requirements to support the program funded under this section.

(8) As used in this section, "CHW" means community health worker.

Sec. 1103. (1) From the funds appropriated in part 1 for school infrastructure and consolidation administration, not less than \$150,000.00 and not fewer than 2.0 FTE positions must be allocated to administer funding for school consolidation, infrastructure, and the Healthy Schools Program.

(2) The unexpended funds appropriated in part 1 for school infrastructure and consolidation administration are designated as a work project appropriation, and any unencumbered or unallocated funds do not lapse at

the end of the fiscal year and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to administer funding for school consolidation, infrastructure, and the Healthy Schools Program.

(b) The project will be accomplished by utilizing state resources, contracts, or grants.

(c) The total estimated cost for the work project is \$150,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1104. (1) The funds appropriated in part 1 for the Michigan test for teacher certification reimbursement shall be used for grants to reimburse eligible applicants who have taken a subject area test or subject area tests required under the Michigan test for teacher certification during the 2024-2025 academic year. Grant awards must be equal to 100% of the fees associated with any test or tests under the Michigan test for teacher certification necessary for the eligible applicant to be certified to teach in Michigan. As used in this subsection, “eligible applicant” means any of the following:

(a) The applicant was not a certified teacher in any state and took a required subject area test or subject area tests under the Michigan test for teacher certification for the first time.

(b) The applicant was a certified teacher in another state and took a required test or tests under the Michigan test for teacher certification for the first time.

(c) The applicant was a Michigan certified teacher and took a required subject area test or subject area tests under the Michigan test for teacher certification for an additional endorsement for the first time.

(2) The department shall develop, and publish on the department website, program guidelines, an application process, and the associated application materials for grants under subsection (1).

(3) The unexpended funds appropriated in part 1 for the Michigan test for teacher certification reimbursement are designated as a work project appropriation, and any unencumbered or unallocated funds do not lapse at the end of the fiscal year and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to reimburse applicants who are taking a required test for the Michigan test for teacher certification for the first time.

(b) The project will be accomplished by utilizing state resources, contracts, or grants.

(c) The total estimated cost for the work project is \$1,100,000.00.

(d) The tentative completion date is September 30, 2029.

ARTICLE 4

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,646.0	
GROSS APPROPRIATION	\$	1,039,098,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	4,085,900	
ADJUSTED GROSS APPROPRIATION	\$	1,035,012,700
Federal revenues:		
Total federal revenues	463,788,900	
Special revenue funds:		
Total local revenues	0	
Total private revenues	1,364,200	
Total other state restricted revenues	309,149,300	
State general fund/general purpose	\$	260,710,300
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	106.0	
Unclassified salaries—FTEs	6.0\$	964,100
Accounting service center		1,487,100

		For Fiscal Year Ending Sept. 30, 2025
Administrative hearings officers	\$	906,600
Environmental investigations—FTEs	12.0	2,419,800
Environmental support—FTEs	56.0	9,295,800
Executive direction—FTEs	20.0	4,459,500
Facilities management		1,000,000
Financial support—FTEs	18.0	10,347,100
Michigan geological survey		3,000,000
Property management		8,222,500
GROSS APPROPRIATION	\$	42,102,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		82,700
IDG from state transportation department		108,300
Federal revenues:		
Federal funds		766,700
Special revenue funds:		
Private funds		711,600
Air emissions fees		1,050,700
Aquatic nuisance control fund		79,400
Campground fund		25,900
Cleanup and redevelopment fund		2,800,700
Coal ash care fund		17,100
Electronic waste recycling fund		36,200
Environmental education fund		184,100
Environmental pollution prevention fund		553,900
Fees and collections		19,800
Financial instruments		8,528,500
Great Lakes protection fund		545,400
Groundwater discharge permit fees		123,600
Infrastructure construction fund		2,700
Laboratory services fees		665,500
Land and water permit fees		198,500
Medical waste emergency response fund		36,200
Metallic mining surveillance fee revenue		5,800
Mineral well regulatory fee revenue		17,100
Nonferrous metallic mineral surveillance		16,200
NPDES fees		356,900
Oil and gas regulatory fund		463,400
Orphan well fund		71,100
Public swimming pool fund		50,200
Public utility assessments		743,400
Public water supply fees		382,100
Refined petroleum fund		3,367,200
Renew Michigan fund		4,670,500
Sand extraction fee revenue		2,700
Scrap tire regulatory fund		185,800
Septage waste program fund		48,400
Settlement funds		1,500,000
Sewage sludge land application fees		74,300
Soil erosion and sedimentation control training fund		11,700
Solid waste management fund - staff account		768,800
Stormwater permit fees		185,400
Technologically enhanced naturally occurring radioactive material		34,500

	For Fiscal Year Ending Sept. 30, 2025	
Underground storage tank cleanup fund	\$	255,400
Wastewater operator training fees		44,800
Water quality protection fund		8,700
Water use reporting fees		19,900
State general fund/general purpose	\$	12,280,700
Sec. 103. WATER RESOURCES DIVISION		
Full-time equated classified positions	418.0	
Aquatic nuisance control program—FTEs	6.0	\$ 992,300
Federal - Great Lakes remedial action plan grants		583,800
Fish contaminant monitoring		316,100
Great Lakes restoration initiative—FTEs	9.0	11,267,700
Groundwater data collection—FTEs	3.0	2,013,600
Nonpoint source pollution prevention and control project program		4,083,300
Technology advancements for water monitoring		500,000
Water quality programs—FTEs	232.0	37,406,400
Water quality protection grants		100,000
Water resource programs—FTEs	168.0	28,132,900
Watershed council grants		600,000
GROSS APPROPRIATION	\$	85,996,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from state transportation department		2,037,300
Federal revenues:		
Federal funds		34,924,900
Special revenue funds:		
Aquatic nuisance control fund		992,300
Aquifer protection revolving fund		520,000
Environmental response fund		590,000
Groundwater discharge permit fees		2,235,600
Infrastructure construction fund		52,000
Land and water permit fees		2,450,500
NPDES fees		4,453,200
Refined petroleum fund		456,000
Sewage sludge land application fees		918,900
Soil erosion and sedimentation control training fund		143,500
Stormwater permit fees		2,335,000
Wastewater operator training fees		317,400
Water pollution control revolving fund		152,500
Water quality protection fund		100,000
Water use reporting fees		350,000
State general fund/general purpose	\$	32,967,000
Sec. 104. AIR QUALITY DIVISION		
Full-time equated classified positions	228.0	
Air quality programs—FTEs	228.0	\$ 38,842,200
GROSS APPROPRIATION	\$	38,842,200
Appropriated from:		
Federal revenues:		
Federal funds		7,680,100
Special revenue funds:		
Air emissions fees		10,952,600
Asbestos inspection fund		2,000,000
Fees and collections		214,300
Oil and gas regulatory fund		148,700

	For Fiscal Year Ending Sept. 30, 2025	
Public utility assessments	\$	150,000
Refined petroleum fund		2,138,500
State general fund/general purpose	\$	15,558,000
Sec. 105. REMEDIATION AND REDEVELOPMENT DIVISION		
Full-time equated classified positions	327.0	
Contaminated site remediation and redevelopment programs—FTEs	327.0\$	78,302,700
Emergency cleanup actions		2,000,000
Environmental cleanup and redevelopment program		27,600,000
Superfund cleanup		9,000,000
GROSS APPROPRIATION	\$	116,902,700
Appropriated from:		
Federal revenues:		
Federal funds		16,752,600
Special revenue funds:		
State brownfield redevelopment fund		1,100,000
Cleanup and redevelopment fund		55,122,300
Environmental response fund		1,442,100
Laboratory services fees		8,293,100
Public water supply fees		328,500
Refined petroleum fund		33,569,500
State general fund/general purpose	\$	294,600
Sec. 106. UNDERGROUND STORAGE TANK AUTHORITY		
Full-time equated classified positions	12.0	
Underground storage tank cleanup program—FTEs	12.0\$	20,117,300
GROSS APPROPRIATION	\$	20,117,300
Appropriated from:		
Special revenue funds:		
Underground storage tank cleanup fund		20,117,300
State general fund/general purpose	\$	0
Sec. 107. RENEWING MICHIGAN'S ENVIRONMENT		
Full-time equated classified positions	168.0	
Information management—FTEs	22.0\$	6,794,900
Renew Michigan program—FTEs	146.0	70,495,800
GROSS APPROPRIATION	\$	77,290,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		6,800
IDG from state transportation department		6,300
Federal revenues:		
Federal funds		5,800
Special revenue funds:		
Air emissions fees		65,900
Aquatic nuisance control fund		4,600
Campground fund		1,200
Cleanup and redevelopment fund		182,400
Coal ash care fund		1,000
Electronic waste recycling fund		1,100
Environmental pollution prevention fund		39,800
Fees and collections		120,200
Financial instruments		277,300
Great Lakes protection fund		1,200
Groundwater discharge permit fees		10,700
Laboratory services fees		45,000

	For Fiscal Year Ending Sept. 30, 2025
Land and water permit fees	\$ 14,400
Medical waste emergency response fund	1,100
Mineral well regulatory fee revenue	500
Nonferrous metallic mineral surveillance	1,300
NPDES fees	24,900
Oil and gas regulatory fund	33,300
Orphan well fund	5,500
Public swimming pool fund	1,400
Public water supply fees	26,900
Refined petroleum fund	228,500
Renew Michigan fund	70,807,500
Scrap tire regulatory fund	13,200
Septage waste program fund	1,600
Sewage sludge land application fees	4,600
Soil erosion and sedimentation control training fund	200
Solid waste management fund - staff account	57,100
Stormwater permit fees	12,300
Technologically enhanced naturally occurring radioactive material	2,000
Underground storage tank cleanup fund	17,000
Wastewater operator training fees	2,800
Water quality protection fund	500
Water use reporting fees	1,100
State general fund/general purpose	\$ 5,263,700
Sec. 108. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 10,367,000
GROSS APPROPRIATION	\$ 10,367,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police	23,700
IDG from state transportation department	31,100
Federal revenues:	
Federal funds	2,062,300
Special revenue funds:	
Air emissions fees	246,800
Aquatic nuisance control fund	22,900
Campground fund	7,300
Cleanup and redevelopment fund	807,100
Coal ash care fund	5,000
Electronic waste recycling fund	10,600
Environmental pollution prevention fund	158,500
Fees and collections	5,700
Financial instruments	1,084,000
Great Lakes protection fund	11,400
Groundwater discharge permit fees	35,200
Infrastructure construction fund	800
Laboratory services fees	189,600
Land and water permit fees	56,400
Medical waste emergency response fund	10,600
Metallic mining surveillance fee revenue	1,700
Mineral well regulatory fee revenue	5,000
Nonferrous metallic mineral surveillance	5,000
NPDES fees	101,400
Oil and gas regulatory fund	131,600

	For Fiscal Year Ending Sept. 30, 2025	
Orphan well fund	\$	20,400
Public swimming pool fund		14,800
Public utility assessments		19,600
Public water supply fees		108,600
Refined petroleum fund		961,200
Renew Michigan fund		1,386,300
Sand extraction fee revenue		800
Scrap tire regulatory fund		53,100
Septage waste program fund		13,900
Sewage sludge land application fees		21,200
Soil erosion and sedimentation control training fund		3,300
Solid waste management fund - staff account		211,700
Stormwater permit fees		53,100
Technologically enhanced naturally occurring radioactive material		9,800
Underground storage tank cleanup fund		73,600
Wastewater operator training fees		13,100
Water pollution control revolving fund		33,200
Water quality protection fund		2,400
Water use reporting fees		5,700
State general fund/general purpose	\$	2,347,500
Sec. 109. DRINKING WATER AND ENVIRONMENTAL HEALTH		
Full-time equated classified positions	160.0	
Drinking water and environmental health—FTEs	160.0\$	40,471,600
GROSS APPROPRIATION	\$	40,471,600
Appropriated from:		
Federal revenues:		
Federal funds		13,702,900
Special revenue funds:		
Campground fund		377,500
Fees and collections		34,500
Public swimming pool fund		751,500
Public water supply fees		5,034,000
Refined petroleum fund		761,100
Septage waste program fund		618,000
Wastewater operator training fees		267,700
State general fund/general purpose	\$	18,924,400
Sec. 110. MATERIALS MANAGEMENT DIVISION		
Full-time equated classified positions	134.0	
Energy programs—FTEs	13.0\$	6,278,500
Material management programs—FTEs	121.0	24,721,800
GROSS APPROPRIATION	\$	31,000,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		1,566,600
Federal revenues:		
Federal funds		7,281,100
Special revenue funds:		
Private funds		652,600
Cleanup and redevelopment fund		1,072,600
Coal ash care fund		268,100
Community pollution prevention fund		250,000
Electronic waste recycling fund		333,700
Energy efficiency and renewable energy revolving loan fund		250,100

	For Fiscal Year Ending Sept. 30, 2025	
Environmental pollution prevention fund	\$	4,110,100
Medical waste emergency response fund		454,500
Public utility assessments		1,806,200
Retired engineers technical assistance program fund		491,200
Scrap tire regulatory fund		5,008,300
Small business pollution prevention revolving loan fund		134,400
Solid waste management fund - staff account		6,117,200
Technologically enhanced naturally occurring radioactive material		458,800
State general fund/general purpose	\$	744,800
Sec. 111. OIL, GAS, AND MINERALS DIVISION		
Full-time equated classified positions	63.0	
Oil, gas, and mineral services—FTEs	63.0	\$ 22,711,600
GROSS APPROPRIATION	\$	22,711,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory affairs		223,100
Federal revenues:		
Federal funds		153,100
Infrastructure investment and jobs act fund		5,155,400
Special revenue funds:		
Metallic mining surveillance fee revenue		92,500
Mineral well regulatory fee revenue		216,000
Native copper mine fund		50,000
Nonferrous metallic mineral surveillance		385,800
Oil and gas regulatory fund		3,881,800
Orphan well fund		2,351,500
Sand extraction fee revenue		91,100
State general fund/general purpose	\$	10,111,300
Sec. 112. WATER INFRASTRUCTURE		
Full-time equated classified positions	30.0	
Lead service line replacement	\$	13,601,300
Municipal assistance—FTEs	30.0	6,695,300
Water state revolving funds		424,000,000
GROSS APPROPRIATION	\$	444,296,600
Appropriated from:		
Federal revenues:		
Federal funds		105,304,000
Infrastructure investment and jobs act fund		270,000,000
Special revenue funds:		
Revolving loan revenue bonds		15,000,000
Water pollution control revolving fund		774,300
State general fund/general purpose	\$	53,218,300
Sec. 113. ONE-TIME APPROPRIATIONS		
Clean fuel and charging infrastructure	\$	30,000,000
Drinking water infrastructure		35,300,000
Drinking water intake monitoring program		1,500,000
Lead service line replacement one-time		8,000,000
Microplastics research		2,000,000
Solar array project		3,000,000
Water infrastructure initiative		10,000,000
Water infrastructure projects		17,000,000
Water use advisory council recommendations		1,200,000
Wetlands mapping		1,000,000
GROSS APPROPRIATION	\$	109,000,000
Appropriated from:		
State general fund/general purpose	\$	109,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state resources is \$569,859,600.00 and state spending under part 1 from state sources to be paid to local units of government is \$108,933,300.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY	
Brownfield grants	\$ 1,000,000
Drinking water and environmental health	8,786,000
Drinking water infrastructure	25,000,000
Emergency cleanup actions	116,000
Energy programs	460,000
Lead service line replacement	13,601,300
Lead service line replacement one-time	8,000,000
Material management programs	1,270,000
Renew Michigan program	20,000,000
Solar array project	3,000,000
Technology advancements for water monitoring	500,000
Water infrastructure initiative	10,000,000
Water infrastructure projects	17,000,000
Water quality programs	200,000
TOTAL	\$ 108,933,300

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

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

- (a) “Department” means the department of environment, Great Lakes, and energy.
- (b) “Director” means the director of the department.
- (c) “FTE” means full-time equated.
- (d) “IDG” means interdepartmental grant.
- (e) “NPDES” means the national pollutant discharge elimination system.
- (f) “Standard report recipients” means the senate appropriations subcommittee on environment, Great Lakes, and energy; the house appropriations subcommittee on environment, Great Lakes, and energy; the senate and house fiscal agencies; the senate and house policy offices; and the state budget office.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the required recipients by email and posting the reports on an internet site.

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (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 authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$3,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$10,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically-disadvantaged business enterprises" means that term as defined in Executive Directive 2023-1.

Sec. 216. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the standard report recipients and the senate and house appropriations committees.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 222. To the extent possible, the department shall not expend appropriations in part 1 until all existing authorized work project funds available for the same purposes are exhausted.

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

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

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

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

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

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

(7) Unexpended and unencumbered amounts remaining from the appropriations from the general fund contained in 2021 PA 87 and 2022 PA 166 are appropriated for expenditure.

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

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

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

(2) The report must contain the following information:

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

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

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

(d) The estimated date for project completion.

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

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

Sec. 236. The department shall provide a report to the standard report recipients and to the senate and house appropriations committees that details the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, 2016 PA 268, and 2016 PA 340. The report must include the following:

(a) The names and locations of entities receiving funds.

(b) The purpose for each expenditure.

(c) The status of programs supported by this funding.

(d) A brief description of how related problems have been or will be resolved if expenditures are made for immediate response.

(e) The job titles and number of departmental FTEs engaged in the Flint declaration of emergency response effort.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 245. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable

information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 246. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

REMEDIATION AND REDEVELOPMENT DIVISION

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

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

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

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

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

(d) The tentative completion date is September 30, 2029.

Sec. 303. (1) Upon approval by the state budget director, the department may expend from the general fund of the state an amount to meet the cash-flow requirements of projects funded under any of the following that are financed from bond proceeds and for which bonds have been authorized but not yet issued:

(a) Part 52 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201 to 324.5206.

(b) Part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306.

(c) Part 196 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19601 to 324.19616.

(2) Upon the sale of bonds for projects described in subsection (1), the department shall credit the general fund of the state an amount equal to that expended from the general fund.

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

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

WATER RESOURCES DIVISION

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

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

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

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

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

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

UNDERGROUND STORAGE TANK AUTHORITY

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

- (a) The purpose of the project is to provide underground storage tank cleanup.
- (b) The project will be accomplished by utilizing contracts with service providers.
- (c) The total estimated cost of the project is \$20,000,000.00.
- (d) The tentative completion date is September 30, 2029.

RENEWING MICHIGAN'S ENVIRONMENT

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

- (a) The purpose of the project is for environmental cleanup and redevelopment, waste management, and recycling.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$70,495,800.00.
- (d) The tentative completion date is September 30, 2029.

MATERIALS MANAGEMENT DIVISION

Sec. 901. In addition to the money appropriated in part 1, the department may receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to provide funding for activities as outlined within the State's Mitigation Plan. The department shall prepare a report to the appropriations subcommittees, the fiscal agencies, and the state budget office by February 1, 2026 of the expenditures incurred under this section during the fiscal year ending September 30, 2025.

WATER INFRASTRUCTURE

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

ONE-TIME APPROPRIATIONS

Sec. 1001. (1) The funds appropriated in part 1 for clean fuel and charging infrastructure must be used for grants to support the accelerated deployment of electric vehicle charging stations and hydrogen fueling infrastructure. A minimum of 40% of the funds must be awarded to communities located within environmental justice, overburdened, or significantly overburdened communities, as those terms are defined or otherwise determined by the department.

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

- (a) Deploying non-publicly available charging and fueling stations, including, but not limited to, medium-and-heavy duty fleet lots and public transit systems.
- (b) Deploying non-publicly available charging and fueling stations and supporting enabling upgrades to support deployment at single and multifamily housing units.
- (c) Filling gaps in fast charging systems outside of this state's identified alternative fuel corridors.
- (3) It is the intent of the legislature that 50% of the funds appropriated in part 1 for clean fuel and charging infrastructure must be expended by September 30, 2027.
- (4) It is the intent of the legislature that 100% of the funds appropriated in part 1 for clean fuel and charging infrastructure must be expended by September 30, 2029.

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

- (a) The purpose of the project is to support the installation of clean energy charging stations.
- (b) The project will be accomplished by utilizing state resources or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$30,000,000.00.
- (d) The tentative completion date is September 30, 2029.

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

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

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

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

(c) The total estimated cost of the project is \$35,300,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1003. (1) The funds appropriated in part 1 for a drinking water intake monitoring program are intended to protect drinking water from potential spills and discharges and must be expended for equipment, software, ongoing maintenance costs, and real-time detection and communication of drinking water threats.

(2) Funds must be awarded to a regional planning commission formed under 1945 PA 281, MCL 125.11 to 125.25, to serve a 7-county region.

Sec. 1004. (1) From the funds appropriated in part 1 for lead service line replacement one-time, the department must allocate all of the following:

(a) To be awarded as a grant to a city with a population of between 25,000 and 25,100 in a county with a population of between 1,793,500 and 1,793,600 according to the most recent federal decennial census for lead service line replacement, \$4,700,000.00.

(b) To be awarded as a grant to a city with a population of between 1,300 and 1,400 in a county with a population of between 120,500 and 120,600 according to the most recent federal decennial census for lead service line replacement, \$1,300,000.00.

(c) To be awarded as a grant to a charter township with a population of between 45,000 and 50,000 in a county with a population of between 1,750,000 and 1,800,000 according to the most recent federal decennial census for lead service line replacement, \$2,000,000.00.

(2) Unexpended funds appropriated in part 1 for lead service line replacement one-time are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund lead service line replacements.

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

(c) The total estimated cost of the project is \$8,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1005. The unexpended funds appropriated in part 1 for microplastics research are designated as a work project appropriation, and any unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is research and recommendations to address microplastics contamination.

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

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1006. Funds appropriated in part 1 for solar array project must be allocated to a city with a population between 198,900 and 199,000 in a county with a population between 657,900 and 658,000 according to the most recent federal decennial census for infrastructure improvements necessary to transport solar-produced electricity and install a solar array at a superfund site that was formerly a landfill.

Sec. 1007. (1) The funds appropriated in part 1 for water infrastructure initiative must be used for grants to municipalities, counties, or regional councils to support the implementation of stormwater projects that reduce the impacts of climate change, such as increased intensity and frequency of storm events. A minimum of 40% of funds must be awarded to communities located within environmental justice, overburdened, or

significantly overburdened communities, as those terms are defined or otherwise determined by the department. Subject to subsection (2), grants may be used for managing wet weather, maintaining or restoring natural site hydrology, or similar construction activities that reduce or mitigate stormwater impacts.

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

(a) Removal, replacement, or upsizing of inappropriately sized culverts or bridges that impede or restrict stormwater flows, leading to site degradation.

(b) Installation of buffer strips, bioswales, or rain gardens to manage or treat stormwater.

(c) Urban forestry programs.

(d) Restoration of streambanks, or construction of wetlands for stormwater management.

(e) Stormwater reuse projects.

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

(a) The purpose of the project is to support the implementation of stormwater projects that reduce the impacts of climate change, such as increased intensity and frequency of storm events.

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

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

(d) The tentative completion date is September 30, 2029.

Sec. 1008. (1) From the funds appropriated in part 1 for water infrastructure projects, the department must allocate all of the following:

(a) To be awarded as a grant to a township with a population of between 2,900 and 3,000 in a county with a population of between 79,000 and 80,000 according to the most recent federal decennial census for a water main extension project, \$1,000,000.00.

(b) To be awarded as a grant to a city with a population of between 3,000 and 3,500 in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for an underground storage tank replacement project, \$1,000,000.00.

(c) To be awarded as a grant to a charter township with a population of between 45,000 and 50,000 in a county with a population of between 1,750,000 and 1,800,000 according to the most recent federal decennial census for a wastewater project, \$3,000,000.00.

(d) To be awarded as a grant to a city with a population of between 7,000 and 8,000 in a county with a population of between 105,000 and 110,000 according to the most recent federal decennial census for a wastewater and sanitary sewer infrastructure project, \$5,000,000.00.

(e) To be awarded as a grant to a city with a population of between 3,000 and 3,100 in a county with a population of between 105,000 and 110,000 according to the most recent federal decennial census to replace a failing iron removal plant for drinking water, \$4,000,000.00.

(f) To be awarded as a grant to a village with a population of between 700 and 800 in a county with a population of between 105,000 and 110,000 according to the most recent federal decennial census for water infrastructure projects including, but not limited to, water main replacements and looping, supply well improvements, wellhouse improvements, and lead service line replacements, \$2,000,000.00.

(g) To be awarded as a grant to a city with a population of between 11,300 and 11,400 in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for water main replacement, \$1,000,000.00.

(2) Unexpended funds appropriated in part 1 for water infrastructure projects are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund water infrastructure projects.

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

(c) The total estimated cost of the project is \$17,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1009. The unexpended funds appropriated in part 1 for water use advisory council recommendations are designated as a work project appropriation, and any unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support the 2022 report recommendations of the water use advisory council established under part 328 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.32801 to 324.32803.

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

(c) The total estimated cost of the project is \$1,200,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1010. The funds appropriated in part 1 for wetlands mapping must be used to improve or expand wetlands identification and mapping. The department may contract with local, state, government, or nonprofit entities to accomplish the objectives under this section.

ARTICLE 5
GENERAL GOVERNMENT
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, and certain other state purposes for the fiscal year ending September 30, 2025, from the following funds:

TOTAL GENERAL GOVERNMENT		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	44.0	
Full-time equated classified positions	7,751.6	
GROSS APPROPRIATION	\$	5,192,043,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	1,197,837,100	
ADJUSTED GROSS APPROPRIATION	\$	3,994,206,500
Total federal revenues	44,147,200	
Special revenue funds:		
Total local revenues	17,541,100	
Total private revenues	762,300	
Total other state restricted revenues	2,762,045,400	
State general fund/general purpose	\$	1,169,710,500

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	621.4	
GROSS APPROPRIATION	\$	129,746,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	39,465,600	
ADJUSTED GROSS APPROPRIATION	\$	90,281,100
Federal revenues:		
Total federal revenues	10,391,600	
Special revenue funds:		
Total local revenues	0	
Total private revenues	0	
Total other state restricted revenues	22,480,400	
State general fund/general purpose	\$	57,409,100
(2) ATTORNEY GENERAL OPERATIONS		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	621.4	
Attorney general	\$	112,500
Unclassified salaries—FTEs	5.0	964,200
Child support enforcement—FTEs	26.0	4,021,800
Operations—FTEs	575.4	115,988,100
Prosecuting attorneys coordinating council—FTEs	14.0	2,757,600
Public safety initiative—FTE	1.0	888,300
Sexual assault law enforcement—FTEs	5.0	1,480,000
GROSS APPROPRIATION	\$	126,212,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from EGLE	2,425,600	
IDG from LEO, Michigan occupational safety and health administration	209,000	

	For Fiscal Year Ending Sept. 30, 2025
IDG from LEO, workforce development agency	\$ 99,200
IDG from MDOC	730,000
IDG from MDE	815,200
IDG from MDHHS, health policy	326,800
IDG from MDHHS, human services	6,846,600
IDG from MDHHS, medical services administration	764,400
IDG from MDHHS, WIC	367,100
IDG from MDIFS, financial and insurance services	1,270,000
IDG from MDLARA, cannabis regulatory agency	2,502,500
IDG from MDLARA, fireworks safety fund	89,700
IDG from MDLARA, health professions	3,114,200
IDG from MDLARA, licensing and regulation fees	788,300
IDG from MDLARA, remonumentation fees	116,600
IDG from MDLARA, securities fees	775,600
IDG from MDLARA, unlicensed builders	1,181,200
IDG from MDMVA	179,400
IDG from MDOS, children's protection registry	45,000
IDG from MDOT, comprehensive transportation fund	110,900
IDG from MDOT, state aeronautics fund	194,500
IDG from MDOT, state trunkline fund	2,210,100
IDG from MDSP	285,100
IDG from MDTMB	1,337,400
IDG from MDTMB, civil service commission	338,500
IDG from MDTMB, risk management revolving fund	1,397,100
IDG from Michigan state housing development authority	1,274,800
IDG from Michigan strategic fund	200,400
IDG from MILEAP	993,000
IDG from Treasury	7,627,400
Federal revenues:	
DAG, state administrative match grant/food stamps	137,000
Federal funds	3,577,800
HHS, medical assistance, medigrant	413,500
HHS-OS, state Medicaid fraud control units	6,142,100
National criminal history improvement program	121,200
Special revenue funds:	
Antitrust enforcement collections	843,500
Attorney general's operations fund	1,118,400
Auto repair facilities fees	366,500
Franchise fees	423,000
Game and fish protection account	682,400
Human trafficking commission fund	170,000
Lawsuit settlement proceeds fund	2,697,100
Liquor purchase revolving fund	1,627,400
Michigan employment security act - administrative fund	2,490,900
Michigan merit award trust fund	534,900
Michigan opioid healing and recovery fund	197,000
Mobile home code fund	273,500
Prisoner reimbursement	780,700
Prosecuting attorneys training fees	455,100
Public utility assessments	2,193,600
Reinstatement fees	284,800
Retirement funds	1,159,200
Second injury fund	662,000

	For Fiscal Year Ending Sept. 30, 2025
Self-insurers security fund	\$ 405,000
Silicosis and dust disease fund	116,700
State building authority revenue	132,500
State casino gaming fund	1,966,100
State lottery fund	387,300
Utility consumer representation fund	1,955,800
Waterways account	151,900
Worker's compensation administrative revolving fund	405,100
State general fund/general purpose	\$ 54,724,900
(3) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 1,684,200
GROSS APPROPRIATION	\$ 1,684,200
Appropriated from:	
State general fund/general purpose	\$ 1,684,200
(4) ONE-TIME APPROPRIATIONS	
Michigan state housing development authority legal services	\$ 850,000
Operation survivor justice	1,000,000
GROSS APPROPRIATION	\$ 1,850,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from Michigan state housing development authority	850,000
State general fund/general purpose	\$ 1,000,000
Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
(1) APPROPRIATION SUMMARY	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	169.0
GROSS APPROPRIATION	\$ 29,163,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 29,163,500
Federal revenues:	
Total federal revenues	2,890,900
Special revenue funds:	
Total local revenues	0
Total private revenues	18,700
Total other state restricted revenues	58,500
State general fund/general purpose	\$ 26,195,400
(2) CIVIL RIGHTS OPERATIONS	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	169.0
Unclassified salaries—FTEs	6.0\$ 844,500
Complaint investigation and enforcement—FTEs	123.0 19,377,400
Division on deaf, deaf/blind, and hard of hearing—FTEs	6.0 753,500
Executive office—FTEs	25.0 3,246,800
Museums support	1,500,000
Public affairs—FTEs	15.0 2,665,400
GROSS APPROPRIATION	\$ 28,387,600
Appropriated from:	
Federal revenues:	
EEOC, state and local antidiscrimination agency contracts	1,253,700
HUD, grant	1,622,200
Special revenue funds:	
Private revenues	18,700

		For Fiscal Year Ending Sept. 30, 2025
State restricted indirect funds	\$	58,500
State general fund/general purpose	\$	25,434,500
(3) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	775,900
GROSS APPROPRIATION	\$	775,900
Appropriated from:		
Federal revenues:		
EEOC, state and local antidiscrimination agency contracts		15,000
State general fund/general purpose	\$	760,900
Sec. 104. EXECUTIVE OFFICE		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	86.2	
GROSS APPROPRIATION	\$	9,337,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	9,337,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	9,337,100
(2) EXECUTIVE OFFICE OPERATIONS		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	86.2	
Unclassified salaries—FTEs	8.0\$	1,621,800
Governor		159,300
Lieutenant governor		111,600
Executive office—FTEs	86.2	7,444,400
GROSS APPROPRIATION	\$	9,337,100
Appropriated from:		
State general fund/general purpose	\$	9,337,100
Sec. 105. LEGISLATURE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	231,881,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		7,334,800
ADJUSTED GROSS APPROPRIATION	\$	224,546,200
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		467,700
Total other state restricted revenues		7,898,400
State general fund/general purpose	\$	216,180,100
(2) LEGISLATURE		
Senate	\$	50,540,800
Senate automated data processing		3,194,200
Senate fiscal agency		4,736,300
House of representatives		74,223,800
House automated data processing		3,194,200

	For Fiscal Year Ending Sept. 30, 2025
House fiscal agency	\$ 4,736,300
GROSS APPROPRIATION	\$ 140,625,600
Appropriated from:	
State general fund/general purpose	\$ 140,625,600
(3) LEGISLATIVE COUNCIL	
Independent citizens redistricting commission	\$ 2,992,300
Legislative corrections ombudsman	1,585,800
Legislative council	16,472,500
Legislative service bureau automated data processing	3,712,100
Michigan veterans facility ombudsman	368,600
National association dues	703,700
Sentencing commission	100
Tribal legislative liaison	500,000
Worker's compensation	177,100
GROSS APPROPRIATION	\$ 26,512,200
Appropriated from:	
State general fund/general purpose	\$ 26,512,200
(4) LEGISLATIVE RETIREMENT SYSTEM	
Actuarially determined contribution	\$ 100
General nonretirement expenses	6,280,100
GROSS APPROPRIATION	\$ 6,280,200
Appropriated from:	
Special revenue funds:	
Court fees	1,461,400
State general fund/general purpose	\$ 4,818,800
(5) PROPERTY MANAGEMENT	
Binsfeld Office Building and other properties	\$ 9,865,000
Cora Anderson Building	6,825,000
GROSS APPROPRIATION	\$ 16,690,000
Appropriated from:	
State general fund/general purpose	\$ 16,690,000
(6) STATE CAPITOL HISTORIC SITE	
Bond/lease obligations	\$ 100
General operations	6,574,100
Restoration, renewal, and maintenance	3,961,100
GROSS APPROPRIATION	\$ 10,535,300
Appropriated from:	
Special revenue funds:	
Private - gifts and bequests	467,700
Capitol historic site fund	3,961,100
State general fund/general purpose	\$ 6,106,500
(7) OFFICE OF THE AUDITOR GENERAL	
Unclassified positions—FTEs	\$ 433,500
Field operations	30,804,200
GROSS APPROPRIATION	\$ 31,237,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG, commercial mobile radio system emergency telephone fund	44,900
IDG, contract audit administration fees	77,000
IDG, deferred compensation funds	110,800
IDG, emp ben div postemployment life insurance benefit	23,000
IDG from LEO, self-insurers security fund	97,000
IDG from MDHHS, human services	37,400

	For Fiscal Year Ending Sept. 30, 2025	
IDG from MDLARA, liquor purchase revolving fund	\$	116,900
IDG from MDMVA, Michigan veterans facility authority		105,000
IDG from MDOT, comprehensive transportation fund		47,100
IDG from MDOT, Michigan transportation fund		382,400
IDG from MDOT, state aeronautics fund		37,000
IDG from MDOT, state trunkline fund		888,300
IDG, legislative retirement system		31,900
IDG, Michigan economic development corporation		152,800
IDG, Michigan education trust fund		67,000
IDG, Michigan finance authority		321,900
IDG, Michigan justice training commission fund		50,000
IDG, Michigan strategic fund		238,500
IDG, office of retirement services		1,019,600
IDG, other restricted funding sources		26,400
IDG, state sponsored group insurance fund		84,700
IDG, single audit act		3,375,200
Special revenue funds:		
21st century jobs trust fund		116,800
State Brownfield redevelopment fund		34,200
Game and fish protection account		38,000
MDTMB, civil service commission		215,400
Michigan state housing development authority fees		137,600
Michigan veterans' trust fund		2,000
Michigan veterans' trust fund income and assessments		23,000
Motor transport revolving fund		8,900
Office services revolving fund		12,300
State disbursement unit, office of child support		69,400
State services fee fund		1,804,600
Waterways account		13,700
State general fund/general purpose	\$	21,427,000
Sec. 106. DEPARTMENT OF STATE		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,629.0	
GROSS APPROPRIATION	\$	291,839,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		20,000,000
ADJUSTED GROSS APPROPRIATION	\$	271,839,900
Federal revenues:		
Total federal revenues		1,460,000
Special revenue funds:		
Total local revenues		0
Total private revenues		50,100
Total other state restricted revenues		258,360,700
State general fund/general purpose	\$	11,969,100
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	130.0	
Secretary of state	\$	112,500
Unclassified salaries—FTEs	5.0	804,200
Executive direction—FTEs	30.0	5,146,300
Operations—FTEs	100.0	26,998,600
Property management		10,729,500
Worker's compensation		148,500
GROSS APPROPRIATION	\$	43,939,600

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Special revenue funds:		
Abandoned vehicle fees	\$	239,800
Auto repair facilities fees		130,400
Children's protection registry fund		270,700
Driver fees		2,601,700
Enhanced driver license and enhanced official state personal identification card fund		2,191,200
Parking ticket court fines		13,600
Personal identification card fees		101,900
Scrap tire fund		78,600
Transportation administration collection fund		37,269,700
State general fund/general purpose	\$	1,042,000
(3) LEGAL SERVICES		
Full-time equated classified positions	179.0	
Operations—FTEs	179.0\$	25,191,700
GROSS APPROPRIATION	\$	25,191,700
Appropriated from:		
Special revenue funds:		
Auto repair facilities fees		3,197,200
Driver education provider and instructor fund		150,000
Driver fees		1,658,500
Enhanced driver license and enhanced official state personal identification card fund		2,853,800
Reinstatement fees - operator licenses		590,200
Transportation administration collection fund		15,800,100
Vehicle theft prevention fees		741,900
State general fund/general purpose	\$	200,000
(4) CUSTOMER DELIVERY SERVICES		
Full-time equated classified positions	1,240.0	
Branch operations—FTEs	903.0\$	98,116,300
Central operations—FTEs	335.0	53,614,100
Digital ID		100,000
Motorcycle safety education administration—FTEs	2.0	652,500
Motorcycle safety education grants		2,100,000
Organ donor program		129,100
GROSS APPROPRIATION	\$	154,712,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		20,000,000
Federal revenues:		
DOT		860,000
OHSP		600,000
Special revenue funds:		
Private funds		100
Thomas Daley gift of life fund		50,000
Abandoned vehicle fees		450,900
Auto repair facilities fees		763,700
Child support clearance fees		100,000
Driver fees		22,881,500
Driver improvement course fund		800,000
Enhanced driver license and enhanced official state personal identification card fund		13,752,900
Expedient service fees		2,975,900

		For Fiscal Year Ending Sept. 30, 2025
Marine safety fund	\$	1,579,000
Michigan state police auto theft fund		123,000
Mobile home commission fees		509,700
Motorcycle safety and education awareness fund		350,000
Motorcycle safety fund		2,102,500
Off-road vehicle title fees		170,700
Parking ticket court fines		518,400
Personal identification card fees		2,372,600
Recreation passport fee revenue		1,000,000
Reinstatement fees - operator licenses		1,021,500
Snowmobile registration fee revenue		390,000
Transportation administration collection fund		79,466,200
Vehicle theft prevention fees		786,000
State general fund/general purpose	\$	1,087,400
(5) ELECTION REGULATION		
Full-time equated classified positions	80.0	
County clerk education and training fund	\$	100,000
Election administration and services—FTEs	80.0	28,634,200
Fees to local units		109,800
GROSS APPROPRIATION	\$	28,844,000
Appropriated from:		
Special revenue funds:		
Election administration support fund		20,255,500
Notary education and training fund		100,000
Notary fee fund		343,500
State general fund/general purpose	\$	8,145,000
(6) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	39,152,600
GROSS APPROPRIATION	\$	39,152,600
Appropriated from:		
Special revenue funds:		
Administrative order processing fee		11,800
Auto repair facilities fees		129,800
Driver fees		789,600
Enhanced driver license and enhanced official state personal identification card fund		673,800
Expedient service fees		1,100,000
Personal identification card fees		174,000
Transportation administration collection fund		34,597,200
Vehicle theft prevention fees		181,700
State general fund/general purpose	\$	1,494,700
Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,243.5	
GROSS APPROPRIATION	\$	1,796,825,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,119,848,200
ADJUSTED GROSS APPROPRIATION	\$	676,977,000
Federal revenues:		
Total federal revenues		4,393,300
Special revenue funds:		
Total local revenues		2,334,000

	For Fiscal Year Ending Sept. 30, 2025	
Total private revenues	\$	189,200
Total other state restricted revenues		130,096,500
State general fund/general purpose	\$	539,964,000
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	922.0	
Unclassified salaries—FTEs	6.0\$	1,101,600
Administrative services—FTEs	178.5	27,666,000
Budget and financial management—FTEs	188.0	42,449,100
Building operation services—FTEs	266.0	106,687,100
Business support services—FTEs	112.0	17,379,000
Design and construction services—FTEs	54.0	9,442,800
Executive operations—FTEs	12.0	2,469,800
Michigan center for data and analytics—FTEs	44.0	7,186,800
Motor vehicle fleet—FTEs	39.0	95,708,200
Office of the state employer—FTEs	14.0	1,786,800
Property management		9,915,300
State archives—FTEs	14.5	1,915,300
State fleet electric vehicle transition		1,000,000
GROSS APPROPRIATION	\$	324,707,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from accounting service centers user charges		6,671,700
IDG from building occupancy and parking charges		109,241,200
IDG from MDHHS, community health		513,400
IDG from MDHHS, human services		240,700
IDG from MDLARA		100,000
IDG from motor transport fund		95,708,200
IDG from technology user fees		11,725,200
IDG from user fees		9,540,600
Federal revenues:		
Federal funds		4,393,200
Special revenue funds:		
Local funds		35,000
Local - MPSCS subscriber and maintenance fees		21,100
Private funds		189,100
Health management funds		434,200
Other agency charges		1,289,400
SIGMA user fees		2,232,600
Special revenue, internal service, and pension trust funds		19,645,900
State restricted indirect funds		3,287,800
State general fund/general purpose	\$	59,438,500
(3) TECHNOLOGY SERVICES		
Full-time equated classified positions	1,649.5	
Enterprise user experience—FTEs	14.0\$	5,231,800
Homeland security initiative/cybersecurity—FTEs	58.0	29,398,800
Information technology investment fund		35,000,000
Information technology services—FTEs	1,440.5	880,274,300
Michigan public safety communications system—FTEs	137.0	49,373,100
GROSS APPROPRIATION	\$	999,278,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from technology user fees		880,274,300

	For Fiscal Year Ending Sept. 30, 2025	
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees	\$	2,277,800
State general fund/general purpose	\$	116,725,900
(4) STATEWIDE APPROPRIATIONS		
Professional development fund - AFSCME	\$	50,000
Professional development fund - MPE, SEIU, scientific and engineering unit		100,000
Professional development fund - MPE, SEIU, technical unit		50,000
Professional development fund - NEREs		200,000
Professional development fund - UAW		700,000
GROSS APPROPRIATION	\$	1,100,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from employer contributions		1,100,000
State general fund/general purpose	\$	0
(5) SPECIAL PROGRAMS		
Full-time equated classified positions	199.0	
Capital city services	\$	1,000,000
Make it in Michigan		400
Office of the child advocate—FTEs	22.0	3,834,000
Property management executive/legislative		1,424,800
Retirement services—FTEs	177.0	29,999,500
GROSS APPROPRIATION	\$	36,258,700
Appropriated from:		
Federal revenues:		
Federal funds		100
Special revenue funds:		
Local funds		100
Private funds		100
Deferred compensation		5,160,000
Make it in Michigan competitiveness fund		100
Pension trust funds		24,746,500
State general fund/general purpose	\$	6,351,800
(6) STATE BUILDING AUTHORITY RENT		
State building authority rent - community colleges	\$	33,481,600
State building authority rent - state agencies		72,493,700
State building authority rent - universities		140,195,300
GROSS APPROPRIATION	\$	246,170,600
Appropriated from:		
State general fund/general purpose	\$	246,170,600
(7) CIVIL SERVICE COMMISSION		
Full-time equated classified positions	473.0	
Agency services—FTEs	113.0\$	17,997,000
Employee benefits—FTEs	29.0	6,554,700
Executive direction—FTEs	38.0	9,815,300
Human resources operations—FTEs	293.0	39,015,900
Information technology services and projects		4,645,900
GROSS APPROPRIATION	\$	78,028,800
Appropriated from:		
Special revenue funds:		
State restricted funds 1%		30,922,700
State restricted indirect funds		10,023,700
State sponsored group insurance		9,901,800
State general fund/general purpose	\$	27,180,600

	For Fiscal Year Ending Sept. 30, 2025
(8) CAPITAL OUTLAY	
Enterprisewide special maintenance for state facilities	\$ 28,000,000
Major special maintenance, remodeling, and addition for state agencies	3,800,000
GROSS APPROPRIATION	\$ 31,800,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy charges	3,800,000
State general fund/general purpose	\$ 28,000,000
(9) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 53,081,300
GROSS APPROPRIATION	\$ 53,081,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy and parking charges	723,200
IDG from user fees	209,700
Special revenue funds:	
Deferred compensation	2,600
Pension trust funds	15,125,000
SIGMA user fees	2,533,800
Special revenue, internal service, and pension trust funds	2,706,500
State restricted indirect funds	2,083,900
State general fund/general purpose	\$ 29,696,600
(10) ONE-TIME APPROPRIATIONS	
Menstrual products	\$ 1,400,000
MPSCS lifecycle replacement	25,000,000
GROSS APPROPRIATION	\$ 26,400,000
Appropriated from:	
State general fund/general purpose	\$ 26,400,000
Sec. 108. DEPARTMENT OF TREASURY	
(1) APPROPRIATION SUMMARY	
Full-time equated unclassified positions	10.0
Full-time equated classified positions	2,002.5
GROSS APPROPRIATION	\$ 2,703,250,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	11,188,500
ADJUSTED GROSS APPROPRIATIONS	\$ 2,692,061,700
Federal revenues:	
Total federal revenues	25,011,400
Special revenue funds:	
Total local revenues	15,207,100
Total private revenues	36,600
Total other state restricted revenues	2,343,150,900
State general fund/general purpose	\$ 308,655,700
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Full-time equated unclassified positions	10.0
Full-time equated classified positions	452.5
Unclassified salaries—FTEs	10.0\$ 1,272,900
Bureau of accounting and financial services—FTEs	74.0 9,555,400
Collections services bureau—FTEs	201.0 30,290,300
Department services—FTEs	65.0 7,709,900
Executive direction and operations—FTEs	60.5 8,650,400
Office of security and data risk management—FTEs	20.0 3,043,400
Property management	7,402,600

		For Fiscal Year Ending Sept. 30, 2025
Unclaimed property—FTEs	32.0\$	5,661,600
Worker's compensation		44,400
GROSS APPROPRIATION	\$	73,630,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG, data/collection services fees		339,100
IDG, accounting service center user charges		413,100
IDG, MDHHS, title IV-D		833,400
IDG, levy/warrant cost assessment fees		3,750,400
IDG, state agency collection fees		2,028,600
Federal revenues:		
DED-OPSE, federal lenders allowance		506,400
DED-OPSE, higher education act of 1995 insured loans		543,100
Special revenue funds:		
Delinquent tax collection revenue		39,214,000
Escheats revenue		5,661,600
Garnishment fees		2,845,100
Justice system fund		458,800
Marihuana regulation fund		1,291,800
Marihuana regulatory fund		193,900
MFA, bond and loan program revenue		668,600
State lottery fund		325,300
State restricted indirect funds		288,900
State services fee fund		370,700
Treasury fees		47,200
State general fund/general purpose	\$	13,850,900
(3) LOCAL GOVERNMENT PROGRAMS		
Full-time equated classified positions	108.0	
Flint settlement payment	\$	35,000,000
Local finance—FTEs	18.0	2,562,200
Michigan infrastructure council—FTEs	3.0	3,858,800
Property tax assessor training—FTE	1.0	1,050,300
Supervision of the general property tax law—FTEs	86.0	18,428,100
GROSS APPROPRIATION	\$	60,899,400
Appropriated from:		
IDG from MDOT, Michigan transportation fund		252,700
Special revenue funds:		
Local - assessor training fees		1,050,300
Local - audit charges		616,600
Local - equalization study chargeback		40,000
Local - revenue from local government		100,000
Delinquent tax collection revenue		1,646,100
Land reutilization fund		2,072,100
Municipal finance fees		590,900
State general fund/general purpose	\$	54,530,700
(4) TAX PROGRAMS		
Full-time equated classified positions	776.0	
Bottle act implementation	\$	250,000
Home heating assistance		3,101,300
Insurance provider assessment program—FTEs	10.0	2,231,700
Living donor tax credit		750,000
Office of revenue and tax analysis—FTEs	25.0	4,857,300
Tax and economic policy—FTEs	47.0	10,289,000

		For Fiscal Year Ending Sept. 30, 2025
Tax compliance—FTEs	321.0\$	47,455,700
Tax processing—FTEs	362.0	46,365,800
Tobacco tax enforcement—FTEs	11.0	1,609,700
GROSS APPROPRIATION	\$	116,910,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		2,449,800
IDG from MDOT, state aeronautics fund		72,200
Federal revenues:		
HHS-SSA, low-income energy assistance		3,101,300
Special revenue funds:		
Bottle deposit fund		250,000
State Brownfield redevelopment fund		213,500
Delinquent tax collection revenue		77,605,800
Insurance provider fund		2,231,700
Marihuana regulation fund		2,648,300
Marihuana regulatory fund		119,300
Qualified heavy equipment rental personal property exemption reimbursement fund		420,000
Tobacco tax revenue		4,257,300
Waterways account		107,100
State general fund/general purpose	\$	23,434,200
(5) FINANCIAL PROGRAMS		
Full-time equated classified positions	140.0	
Investments—FTEs	81.0\$	22,682,400
State and authority finance—FTEs	20.0	4,748,200
Student financial assistance programs—FTEs	39.0	20,270,400
GROSS APPROPRIATION	\$	47,701,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG, fiscal agent service fees		214,800
Federal revenues:		
DED-OPSE, federal lenders allowance		3,391,000
DED-OPSE, higher education act of 1995 insured loans		16,879,400
Special revenue funds:		
Defined contribution administrative fee revenue		300,000
Michigan finance authority bond and loan program revenue		2,836,900
Retirement funds		17,743,700
School bond fees		925,700
Treasury fees		4,866,800
State general fund/general purpose	\$	542,700
(6) DEBT SERVICE		
Clean Michigan initiative	\$	24,987,000
Great Lakes water quality bond		66,427,000
Quality of life bond		3,673,000
GROSS APPROPRIATION	\$	95,087,000
Appropriated from:		
State general fund/general purpose	\$	95,087,000
(7) GRANTS		
Convention facility development distribution	\$	128,730,700
Election administration support fund		20,255,500
Emergency 911 payments		49,118,600
Health and safety fund grants		1,500,000

	For Fiscal Year Ending Sept. 30, 2025	
Qualified heavy equipment rental personal property exemption reimbursement distribution	\$	3,000,000
Recreational marihuana grants		96,380,000
Senior citizen cooperative housing tax exemption program		11,512,300
Wrongful imprisonment compensation fund		10,000,000
GROSS APPROPRIATION	\$	320,497,100
Appropriated from:		
Special revenue funds:		
Convention facility development fund		128,730,700
Emergency 911 fund		49,118,600
Health and safety fund		1,500,000
Marihuana regulation fund		96,380,000
Qualified heavy equipment rental personal property exemption reimbursement fund		3,000,000
State general fund/general purpose	\$	41,767,800
(8) BUREAU OF STATE LOTTERY		
Full-time equated classified positions	216.0	
Lottery information technology services and projects	\$	3,841,600
Lottery operations—FTEs	216.0	33,633,400
GROSS APPROPRIATION	\$	37,475,000
Appropriated from:		
Special revenue funds:		
State lottery fund		37,475,000
State general fund/general purpose	\$	0
(9) MICHIGAN GAMING CONTROL BOARD		
Full-time equated classified positions	229.0	
Casino gaming control operations—FTEs	199.0\$	41,501,300
Gaming information technology services and projects		5,349,600
Horse racing—FTEs	10.0	2,152,100
Michigan gaming control board		113,700
Millionaire party regulation—FTEs	20.0	3,225,300
GROSS APPROPRIATION	\$	52,342,000
Appropriated from:		
Special revenue funds:		
Casino gambling agreements		1,019,600
Equine development fund		2,272,400
Fantasy contest fund		1,066,600
Internet gaming fund		15,889,700
Internet sports betting fund		2,979,600
State services fee fund		29,114,100
State general fund/general purpose	\$	0
(10) PAYMENTS IN LIEU OF TAXES		
Commercial forest reserve	\$	3,603,900
Purchased lands		11,736,600
Swamp and tax reverted lands		19,816,300
GROSS APPROPRIATION	\$	35,156,800
Appropriated from:		
Special revenue funds:		
Private funds		36,600
Game and fish protection account		3,977,100
Michigan natural resources trust fund		2,990,600
Waterways account		345,100
State general fund/general purpose	\$	27,807,400

	For Fiscal Year Ending Sept. 30, 2025	
(11) REVENUE SHARING		
City, village, and township revenue sharing	\$	333,547,300
Constitutional state general revenue sharing grants		1,073,331,400
County revenue sharing		291,111,400
Financially distressed cities, villages, or townships		2,500,000
Public safety and violence prevention fund		75,000,000
GROSS APPROPRIATION	\$	1,775,490,100
Appropriated from:		
Special revenue funds:		
Public safety and violence prevention fund		75,000,000
Sales tax		1,700,490,100
State general fund/general purpose	\$	0
(12) STATE BUILDING AUTHORITY		
Full-time equated classified positions	4.0	
State building authority—FTEs	4.0\$	1,018,900
GROSS APPROPRIATION	\$	1,018,900
Appropriated from:		
Special revenue funds:		
State building authority revenue		1,018,900
State general fund/general purpose	\$	0
(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
Full-time equated classified positions	77.0	
City income tax administration program—FTEs	77.0\$	11,125,700
GROSS APPROPRIATION	\$	11,125,700
Appropriated from:		
Special revenue funds:		
Local - city income tax fund		11,125,700
State general fund/general purpose	\$	0
(14) INFORMATION TECHNOLOGY		
Treasury operations information technology services and projects	\$	50,323,800
GROSS APPROPRIATION	\$	50,323,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		834,400
Federal revenues:		
DED-OPSE, federal lenders allowance		590,200
Special revenue funds:		
Local - city income tax fund		2,274,500
Delinquent tax collection revenue		18,260,800
Marihuana regulation fund		778,200
Retirement funds		816,500
Tobacco tax revenue		134,200
State general fund/general purpose	\$	26,635,000
(15) ONE-TIME APPROPRIATIONS		
12th district court security	\$	1,000,000
38th district court project		1,000,000
Additional local prosecutor support		250,000
Local prosecutor support grants		16,750,000
Lottery information technology services and project		592,000
MiABLE outreach		3,000,000
Secure retirement for small businesses		3,000,000
GROSS APPROPRIATION	\$	25,592,000
Appropriated from:		
Special revenue funds:		
State lottery fund		592,000
State general fund/general purpose	\$	25,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. (1) In accordance with section 30 of article IX of the state constitution of 1963 for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$3,931,755,900.00 and state spending under part 1 from state sources to be paid to local units of government is \$2,140,570,800.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE	
Election administration and services	\$ 10,000,000
Fees to local units	500
Motorcycle safety education grants	1,715,400
Subtotal	\$ 11,715,900
DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET	
Capital city services	\$ 1,000,000
Subtotal	\$ 1,000,000
DEPARTMENT OF TREASURY	
12th district court security	\$ 1,000,000
38th district court project	1,000,000
Additional local prosecutor support	250,000
Airport parking distribution pursuant to section 909	34,000,000
City, village, and township revenue sharing	333,547,300
Commercial forest reserve	3,603,900
Constitutional state general revenue sharing grants	1,073,331,400
Convention facility development fund distribution	128,730,700
County revenue sharing	291,111,400
Emergency 9-1-1 payments	26,085,000
Financially distressed cities, villages, or townships	2,500,000
Health and safety fund grants	1,500,000
Local prosecutor support grants	16,750,000
Recreational marihuana grants	96,380,000
Public safety and violence prevention fund	75,000,000
Purchased lands	11,736,600
Senior citizen cooperative housing tax exemption	11,512,300
Swamp and tax reverted lands	19,816,300
Subtotal	\$ 2,127,854,900
TOTAL	\$ 2,140,570,800

(2) In accordance with section 30 of article IX of the state constitution of 1963, in the appropriations acts for the fiscal year ending September 30, 2025, total state spending from state sources is estimated at \$46,775,093,000.00 and total state spending from state sources to be paid to local units of government is estimated at \$25,037,965,000.00. The proportion of total state spending from state sources to be paid to local units is estimated at 53.5%.

(3) If payments to local units of government and state spending from state sources for the fiscal year ending September 30, 2025 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for the fiscal year ending September 30, 2025 to the standard report recipients and to the senate and house of representatives standing committees on appropriations not later than 30 days after the final book-closing for the fiscal year ending September 30, 2025.

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

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

- (a) “COBRA” means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272.
- (b) “DAG” means the United States Department of Agriculture.
- (c) “DED” means the United States Department of Education.
- (d) “DED-OPSE” means the DED Office of Postsecondary Education.
- (e) “DOL” means the United States Department of Labor.

- (f) "EEOC" means the United States Equal Employment Opportunity Commission.
- (g) "FTE" means full-time equated.
- (h) "Geographically disadvantaged business enterprise" means a geographically-disadvantaged business enterprise as that term is defined by Executive Directive No. 2023-1.
- (i) "GF/GP" means general fund/general purpose.
- (j) "HHS" means the United States Department of Health and Human Services.
- (k) "HHS-OS" means the HHS Office of the Secretary.
- (l) "HHS-SSA" means the Social Security Administration.
- (m) "HUD" means the United States Department of Housing and Urban Development.
- (n) "IDG" means interdepartmental grant.
- (o) "JCOS" means the joint capital outlay subcommittee.
- (p) "MCL" means the Michigan Compiled Laws.
- (q) "MDE" means the Michigan department of education.
- (r) "MDHHS" means the Michigan department of health and human services.
- (s) "MDIFS" means the Michigan department of insurance and financial services.
- (t) "MDLARA" means the Michigan department of licensing and regulatory affairs.
- (u) "MDLEO" means the Michigan department of labor and economic opportunity.
- (v) "MDMVA" means the Michigan department of military and veterans affairs.
- (w) "MDOC" means the Michigan department of corrections.
- (x) "MDOS" means the Michigan department of state.
- (y) "MDOT" means the Michigan department of transportation.
- (z) "MDSP" means the Michigan department of state police.
- (aa) "MDTMB" means the Michigan department of technology, management, and budget.
- (bb) "MEDCS" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
- (cc) "MEGA" means the Michigan economic growth authority.
- (dd) "MFA" means the Michigan finance authority.
- (ee) "MPE" means the Michigan public employees.
- (ff) "MPSCS" means the Michigan public safety communications system.
- (gg) "MSF" means the Michigan strategic fund.
- (hh) "NERE" means nonexclusively represented employees.
- (ii) "PA" means public act.
- (jj) "RFP" means a request for a proposal.
- (kk) "SEIU" means Service Employees International Union.
- (ll) "SIGMA" means statewide integrated governmental management applications.
- (mm) "Standard report recipients" means the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.
- (nn) "WIC" means women, infants, and children.

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

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

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

Sec. 206. A department or agency shall not take disciplinary action against an employee of a department or an agency within a department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department or agency is exercising its authority as provided by law.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out-of-state travel

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

- (a) The dates of each travel occurrence.
 - (b) The total transportation and related expenses of each travel occurrence and the proportions funded with state GF/GP revenues, state restricted revenues, federal revenues, and other revenues.
- Sec. 208. A principal executive department, state agency, or authority shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In accordance with section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	2023	2024	2025
Michigan personal income (millions)	\$596,935	\$617,231	\$642,537
less: transfer payments	126,936	130,378	135,465
Subtotal	\$469,999	\$486,853	\$570,072
Divided by: Detroit Consumer Price Index for 12 months ending December 31	2.836	2.925	2.994
Equals: real adjusted Michigan personal income	\$165,725	\$166,468	\$169,337
Percentage change	N/A	0.5%	1.7%
Growth rate in excess of 2%?	N/A	0.0%	0.0%
Equals: calculated transfer to countercyclical budget and economic stabilization fund for the fiscal year ending September 30, 2025 (millions)	N/A	NO	
Growth rate less than 0%?	N/A	NO	
Appropriation from countercyclical budget and economic stabilization fund allowed for the fiscal year ending September 30, 2025	N/A	NO	

(2) Notwithstanding subsection (1), there is appropriated to the countercyclical budget and economic stabilization fund for the fiscal year ending September 30, 2025, from GF/GP \$50,000,000.00 of the fiscal year ending September 30, 2024 GF/GP unassigned fund balance recorded as part of the state book-closing process for the fiscal year ending September 30, 2024.

Sec. 211. A department or agency shall cooperate with the MDTMB to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, a department or agency receiving appropriations in part 1 shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and the chairpersons of the senate and house of representatives appropriations committees.

Sec. 214. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both.

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

Sec. 218. A department or agency receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. A department or agency shall follow federal and state guidelines for short-term and long-term retention of records. A department or agency may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. Not later than April 1, a department or agency receiving appropriations in part 1 shall report on each specific policy change made to implement a PA affecting the department or agency that took effect during the previous calendar year. The department or agency shall submit the report to the standard report recipients, to the senate and house of representatives appropriations committees, and to the joint committee on administrative rules.

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

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

Sec. 222. To the extent possible, a department or agency shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 223. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 224. Funds appropriated in part 1 must not be used by this state or a department, agency, or authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 226. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 227. A department or agency required to submit a report under this part shall make each report readily accessible to the public and conspicuously post each required report on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years.

Sec. 228. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$750,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$50,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$50,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

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

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

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

Sec. 309. (1) From the prisoner reimbursement funds appropriated in part 1, the department of attorney general may expend not more than \$780,700.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department of attorney general collects more than \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, not more than \$1,000,000.00 of the excess is appropriated to the department of attorney general and may be spent on the representation of the MDOC and its officers, employees, and agents, including, but not limited to, the defense of litigation in civil actions filed by prisoners against this state, its departments, officers, employees, or agents.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 314. (1) The department of attorney general may spend not more than \$2,697,100.00 of the funds appropriated in part 1 from the lawsuit settlement proceeds fund for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination.

(2) The department of attorney general shall submit a quarterly report to the standard report recipients and to the senate and house of representatives appropriations committees that details how the funds in subsection (1) and all other currently and previously budgeted funds associated with legal costs pertaining to the declaration of emergency due to drinking water contamination were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

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

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

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

(c) To provide victim services.

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

(a) The number of sexual assault kits across this state that remain untested as of January 31, 2025.

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

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

(3) Any funds remaining after the department of attorney general has met the obligations required under subsection (1) may be used for the purpose of retesting any previously tested sexual assault kits across this state using currently available DNA testing. Funds may be used under this subsection only for DNA testing on previously tested kits that were not tested for DNA. If there are remaining untested sexual assault kits on January 31, 2025, funds appropriated in part 1 must be used only for the testing of those kits.

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

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

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

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

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

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

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

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

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

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

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

- (i) The amount of compensation that was sought.
- (ii) The amount of compensation that was received.

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

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

(b) Enforce the laws of this state.

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

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

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

(a) Catholic church investigation.

(b) Elder abuse task force.

(c) Conviction integrity unit.

(d) Opioid litigation.

(e) Hate crimes unit and domestic terrorism unit.

(f) Payroll fraud enforcement unit.

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

(h) Human trafficking.

(i) Robocall enforcement.

(j) Job court.

(k) Organized retail crime unit.

(l) Reducing utility rate increases.

(m) Boy Scouts of America investigation.

(n) Address confidentiality program.

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

Sec. 324. (1) Not later than September 30, the department of attorney general must make available to the public on its website a report on the activities and findings, since April 1, 2019, of the payroll fraud enforcement unit. The report must include all of the following:

(a) A list of each complaint received by the unit.

(b) For each complaint listed under subdivision (a), whether the attorney general took enforcement action on the complaint and, if applicable, a description of the enforcement action.

(2) If the payroll fraud enforcement unit requests that another department or agency investigate the validity of a report received by the unit, or if the unit refers a complaint to another department or agency, the department of attorney general shall request the department or agency to report back on the department's or agency's findings to enable the department of attorney general to comply with this section.

DEPARTMENT OF CIVIL RIGHTS

Sec. 401. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$375,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

- (b) Publishing and selling civil rights related informational material.
- (c) Providing copies of material made available in response to requests under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
- (d) Paying other copy fees, subpoena fees, and witness fees.
- (e) Developing, presenting, and participating in mediation processes for certain civil rights cases.
- (f) Providing workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.
- (g) Paying staffing costs for all activities included in this subsection.
- (2) Not later than November 30, the department of civil rights shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the amount of funds received and expended for purposes authorized under this section.

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

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

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

- (a) The number of all complaints received by the department by basis of complaint.
- (b) The number of certified complaint cases initiated by basis of complaint.
- (c) The number of certified complaint cases completed.
- (d) The final disposition of certified complaint case investigations.
- (e) The average number of days for a case to be completed after certification.
- (f) The number of FTE positions filled from the FTE authorization for complaint investigations and enforcement.
- (g) The number of open cases that have been open for more than 1 year.
- (h) The quotient of the number of certified cases completed divided by the number of filled FTE positions.
- (i) A listing of amounts awarded to claimants.

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

Sec. 406. From the funds appropriated in part 1, not later than January 31, the department of civil rights shall submit a report to the standard report recipients on the Native American boarding school study. The report must include all of the following:

- (a) Information on the activities conducted for the study by the department of civil rights and any contracted university or entity.
- (b) Total expenditures to date.
- (c) The estimated date for publication of the final report.

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

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

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

LEGISLATURE

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

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

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

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Binsfeld Office Building.

Sec. 603. (1) From the appropriation contained in part 1 for national association dues, the first \$34,800.00 must be paid to the National Conference of Commissioners on Uniform State Laws. The remaining funds must be distributed by the legislative council in accordance with subsection (2).

(2) If any funds remain after all required dues have been paid under subsection (1), the legislative council may approve the use of not more than \$10,000.00 to pay for the registration fees of any state employees who serve as board members to any of the national associations receiving state funds for annual dues to attend that national association's annual conference. If any of the \$10,000.00 remains after national board member's registration fees are paid, the legislative council may use the remaining funds to pay for the registration fees for any other state employees to attend the annual conference of any of the national associations receiving state funds for annual dues.

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

(2) The Michigan state capitol commission may collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated on receipt and must be allocated by the Michigan state capitol commission.

(3) As used in this section, "Michigan state capitol commission" means the Michigan state capitol commission established in the Michigan state capitol historic site act, 2013 PA 240, MCL 4.1945.

Sec. 605. The unexpended funds appropriated in part 1 for the legislative council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is publication of the Michigan manual.

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

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

(d) The tentative completion date is September 30, 2029.

Sec. 606. The unexpended funds appropriated in part 1 for property management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment and services for building maintenance to ensure a safe and productive work environment.

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

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 607. The unexpended funds appropriated in part 1 for automated data processing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment, software, and services to support and implement data processing requirements and technology improvements.

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

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

(d) The tentative completion date is September 30, 2029.

Sec. 608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30, 2025 do not lapse at the close of the fiscal year, and must be carried forward for expenditure in the following fiscal years.

Sec. 611. (1) From the funds appropriated in part 1 for senate, \$250,000.00 must be allocated for an internship program.

(2) From the funds appropriated in part 1 for house of representatives, \$250,000.00 must be allocated for an internship program.

Sec. 612. It is the intent of the legislature that, from the funds appropriated in part 1, the Michigan state capitol commission established in section 5 of the Michigan state capitol historic site act, 2013 PA 240, MCL 4.1945, ensure that the Capitol Building is open for not less than 3 hours on Saturdays that are not state holidays.

Sec. 613. From the funds appropriated in part 1, the council administrator shall assist in administering compensation, benefits, and other personnel support, subject to the legislative council act, 1986 PA 268, MCL 4.1101 to 4.1901, for the members, employees, staff, and consultants of the independent citizens redistricting commission established in section 6 of article IV of the state constitution of 1963.

Sec. 614. From the funds appropriated in part 1, on a quarterly basis, the independent citizens redistricting commission shall issue a report to the standard report recipients that provides a detailed listing of expenditures related to independent citizens redistricting commission activities. In addition to providing a listing of expenditures, the report must also include a detailed description of activities undertaken to fulfill the independent citizens redistricting commission's constitutional responsibilities. As used in this section, "independent citizens redistricting commission" means the independent citizens redistricting commission established in section 6 of article IV of the state constitution of 1963.

LEGISLATIVE AUDITOR GENERAL

Sec. 620. In accordance with section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the executive, judicial, and legislative branches.

Sec. 621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

(2) If the auditor general contracts with a firm to perform audits of the principal executive departments and state agencies, the auditor general shall strongly encourage the firm to subcontract with certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises.

(3) Not later than November 1, the auditor general shall submit a report to the standard report recipients regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises.

Sec. 622. From the funds appropriated in part 1 to the office of the auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions must be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators must include an estimate of the additional costs involved and, if those costs exceed \$50,000.00, must provide supplemental funding. The auditor general shall determine whether to perform those activities in accordance with Operations Manual Policy No. 2-26.

Sec. 625. A branch, department, office, board, commission, agency, authority, or institution of this state shall not deny the auditor general access to examine its confidential information. The auditor general is subject to the same duty of confidentiality imposed by law on the entity providing the confidential information.

Sec. 627. The unexpended funds appropriated in part 1 for field operations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to conduct the state of Michigan annual comprehensive financial report.
- (b) The project will be accomplished by utilizing state employees and contract audits.
- (c) The total estimated cost of the project is \$3,000,000.00.
- (d) The tentative completion date is September 30, 2029.

Sec. 628. On a quarterly basis, the auditor general shall submit a report to the standard report recipients, the chairpersons of the senate and house of representatives appropriations committees, and the senate and

house of representatives oversight committees that includes all of the following information related to projects initiated during the immediately preceding quarter:

- (a) Audit title.
- (b) Audit type.
- (c) Audit period.
- (d) Audit objectives.
- (e) Branch of government being audited.
- (f) Whether the auditor general or a contracted auditor is conducting the audit and, if a contracted auditor is conducting the audit, the identity of the contracted auditor.
- (g) Details regarding the reason for initiating the audit, including whether it was discretionary or required by statute.

(h) Details regarding any similar audit the auditor general has completed in the past.

(i) Estimated time frame for completion of the audit.

(j) Estimated total auditor general resources necessary to complete the audit and release a report.

Sec. 629. On a quarterly basis, the auditor general shall submit a report to the standard report recipients, the chairpersons of the senate and house of representatives appropriations committees, and the senate and house of representatives oversight committees that includes all of the following information for each project in progress during the immediately preceding quarter:

(a) Audit title.

(b) Date the audit was initiated.

(c) Audit status.

(d) Estimated time frame for completion of the audit.

(e) Details regarding the resources spent on the audit to date.

(f) Estimated total auditor general resources necessary to complete the audit and release a report.

Sec. 630. On a quarterly basis, the auditor general shall submit a report to the standard report recipients, the chairpersons of the senate and house of representatives appropriations committees, and the senate and house of representatives oversight committees that contains all of the following information for each project completed during the immediately preceding quarter:

(a) Audit title.

(b) Date the audit was initiated.

(c) Date the audit report was released.

(d) Results of the audit, including the number and type of findings.

(e) Details regarding total auditor general resources spent on the audit.

(f) To the extent authorized by law, details regarding any inquiry, tip, or request related to the audit that the auditor general received before initiating the audit.

DEPARTMENT OF STATE

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,500,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$1,500,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$50,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$100,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 703. From the funds appropriated in part 1, the MDOS shall submit quarterly reports on record lookup fees to the standard report recipients. Each report must include the number of records sold and the revenues collected as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156.

Sec. 705. (1) The MDOS may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental

publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to approval of the MDOS, for inclusion in the publication. The MDOS may reject a gift, donation, contribution, or grant. The MDOS may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

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

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

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

(5) Not later than March 1, the MDOS shall submit a report to the standard report recipients that includes all of the following information for the immediately preceding fiscal year:

(a) The amount of gifts, contributions, donations, and grants of money received by the MDOS under section 705 of article 5 of 2023 PA 119.

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

(c) A list of any gift, donation, contribution, or grant of property other than funding received by the MDOS under section 705 of article 5 of 2023 PA 119.

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

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the MDOS may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term “manuals and other publications” includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications must be credited to the Michigan department of state publications fund created in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211.

Sec. 707. Funds collected by the MDOS under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication described in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds are allocated for expenditure when they are received by the department of treasury and do not lapse to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the MDOS shall use available balances at the end of the state fiscal year to provide payment to the MDSP in the amount of \$332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the MDOS may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. The restricted amount must not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the MDOS are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions must occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year do not lapse to the general fund and remain available for distribution to the university or agency in the next fiscal year.

Sec. 713. (1) The MDOS, in collaboration with the Gift of Life Michigan or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

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

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

(4) Funding appropriated in part 1 for the organ donor program must be used to produce a pamphlet regarding organ donations and to distribute the pamphlet with driver licenses and personal identification cards. The pamphlet must do both of the following:

(a) Explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(b) Include a return reply form addressed to the gift of life organization.

(5) Funding appropriated in part 1 for the organ donor program must be used to pay for return postage costs of the return reply form described in subsection (4)(b).

(6) In addition to the appropriations in part 1, the MDOS may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

(7) Not later than March 1, the department shall submit a report to the standard report recipients. The report must include all of the following:

(a) The amount of revenue collected by the MDOS under this section.

(b) The purpose of each expenditure.

(c) The amount of revenue carried forward.

Sec. 714. (1) Except as otherwise provided under subsection (2), not less than 180 days before closing a branch office or consolidating a branch office and not less than 60 days before relocating a branch office, the MDOS shall submit a report to the standard report recipients, the members of the senate and house of representatives standing committees on appropriations, and legislators who represent affected areas. The report must include all of the following:

(a) All analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, all of the following:

(i) Branch transactions.

(ii) Revenue.

(iii) The impact on citizens of the affected area, including information regarding additional distance to branch office locations resulting from the changes.

(b) Detailed estimates of costs and savings that will result from the overall changes made to the branch office structure.

(c) Detailed estimates of costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the MDOS is not required to submit a report under subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the MDOS from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the MDOS for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

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

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

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

Sec. 717. (1) The MDOS may accept gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The MDOS may recognize a private or public contributor for making the contribution. The MDOS may reject a gift, donation, or contribution. Any revenues received under this subsection may be expended for the departmental functions relating to licensing, regulation, or safety.

(2) The MDOS shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned on a commitment of future state funding.

(3) Not later than March 1, the MDOS shall submit a report to the standard report recipients. The report must include a list of each gift, donation, or contribution received by the department under subsection (1) for the immediately preceding calendar year.

Sec. 718. From the funds appropriated in part 1 for election regulation, all money must be spent in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, and the instructions, orders, and guidance of the secretary of state regarding the proper method for the conduct and administration of elections.

Sec. 719. Not later than February 1, the MDOS shall submit a report to the standard report recipients on all funding allocated to counties, cities, and townships from funds appropriated in part 1 for election administration and services. The report must include the amount and purpose of each payment provided to a county, city, or township.

Sec. 722. (1) From the funds appropriated in part 1, not later than February 1, the MDOS shall submit an expense report related to CARS to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include itemized expenditures made on behalf of CARS by fund source in the immediately preceding fiscal year and projected expenditures to be made on behalf of CARS in the current fiscal year and the next fiscal year.

(2) As used in this section, "CARS" means the customer and automotive records system.

Sec. 724. The MDOS shall reimburse a county, city, or township for allowable expenses not later than 60 days after the MDOS receives a bill for allowable expenses and all necessary documentation from the county, city, or township.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 801. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$250,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$20,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 802. Any proceeds that exceed necessary costs incurred in conducting transfers, auctions, direct sales, or scrapping of state surplus property under section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the MDTMB to offset any costs incurred in the acquisition and distribution of surplus property. The MDTMB shall provide consolidated internet auction services through this state's contractors for all local units of government.

Sec. 803. (1) The MDTMB may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the MDTMB.

(2) The MDTMB may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, engineering, and project oversight services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, universities, community colleges, or private tenants.

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

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

(5) Any revenue collected by the MDTMB from user fees under subsections (1) to (4) must be carried forward and does not lapse to the general fund at the close of the fiscal year.

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the MDTMB appropriations financed from special revenue and internal service and pension trust funds, or SIGMA user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 807. Funding in part 1 for SIGMA must be funded by proportionate charges assessed against the respective state funds benefiting from the SIGMA project in the amounts determined by MDTMB.

Sec. 808. (1) A deposit against the IDG from building occupancy and parking charges appropriated in part 1 must be collected, in part, from state agencies, the legislative branch, and the judicial branch based on

estimated costs associated with maintenance and operation of buildings managed by MDTMB. To the extent excess revenue is collected due to estimates of building occupancy charges exceeding actual costs, the excess revenue may be carried forward into subsequent fiscal years for the purpose of returning funds to state agencies.

(2) An appropriation in part 1 for building occupancy and parking charges may be increased to return excess revenue collected to state agencies.

Sec. 809. On a biannual basis, the MDTMB shall submit a report to the standard report recipients on any revisions either individually or in the aggregate that increase or decrease current contracts by more than \$500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. (1) From the funds appropriated in part 1, the MDTMB shall maintain an internet website that contains notice of all solicitations, invitations for bids, and requests for proposals over \$50,000.00 that are issued by the MDTMB or by any state agency operating under delegated authority, except for solicitations up to \$500,000.00 in accordance with the MDTMB policy regarding providing opportunities to Michigan small businesses, geographically disadvantaged business enterprises, Michigan veteran-owned business, Michigan service disabled veteran-owned businesses, or Michigan recognized community rehabilitation organizations, or if the MDTMB determines and documents that it is in the best interest of this state. This information must appear on the first page of each department or state agency dashboard.

(2) The MDTMB shall set the due date for acceptance of an invitation for bid or request for proposal to not less than 14 days after the notice is made available on the internet website described in subsection (1), unless the MDTMB determines and documents that a different due date is in the best interest of this state.

(3) In addition to the requirements of this section, the MDTMB may advertise the solicitations, invitations for bids, and requests for proposals in any manner that the MDTMB determines is appropriate to give the greatest number of persons the opportunity to respond or make bids or requests for proposals.

(4) A new request for a proposal that is publicly displayed on the internet website must include the proposal's corresponding department or agency. The internet website must allow for the searching of requests for proposals by department or agency.

Sec. 811. From the funds appropriated in part 1, the MDTMB shall maintain a system that interfaces with other departments and agencies to track the performance of vendors in fulfilling contract obligations. The performance of these vendors must be recorded and used as a factor to determine future contracts awarded in the procurement process.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the MDTMB for administration and the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

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

(3) The MDTMB shall, not later than 90 days after the close of the fiscal year, submit an annual report to the standard report recipients regarding the operation of the motor vehicle fleet. The report must include all of the following:

- (a) The number of vehicles assigned to, or authorized for use by, state departments and agencies.
- (b) The number of vehicles in the motor vehicle fleet.
- (c) The number of miles driven by fleet vehicles.
- (d) The number of gallons of fuel consumed by fleet vehicles.
- (e) A description of fleet garage operations.
- (f) The goods sold and services provided by the fleet garage.
- (g) The number of employees assigned to each fleet garage.

(4) The information provided under subsection (3) may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet.

(5) The MDTMB may charge state agencies for fuel cost increases that exceed 10% of the budgeted price per gallon of motor vehicle fuels. The MDTMB shall notify state agencies, in writing or by email, not less than 30 days before implementing additional charges for fuel cost increases. Any revenue received from these charges is appropriated on receipt.

(6) The state budget director, on notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the MDTMB to ensure that the appropriations for motor vehicle fleet in the MDTMB budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 820. The MDTMB shall post on its website and make available to the public a list of all parcels of real property owned by this state that are available for purchase.

Sec. 822. Not later than January 1, the MDTMB shall submit a report to the standard report recipients related to the salaries of unclassified employees and gubernatorial appointees within all state departments and agencies. The report must enumerate each unclassified employee and gubernatorial appointee and the employee's or appointee's annual salary rounded to the nearest thousand dollars.

Sec. 822c. The funds appropriated in part 1 must not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Gordie Howe International Crossing or any successor project unless the approval of the project is enacted into law.

Sec. 822d. Not later than December 31, the MDTMB shall submit a report to the standard report recipients that includes all of the following:

(a) The fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the MDTMB during the current fiscal year.

(b) The changes from fees and rates charged in the immediately preceding fiscal year.

(c) An explanation of the factors that justify each fee and rate increase described in subdivision (b).

Sec. 822e. (1) In addition to the funds appropriated in part 1, the funds collected by the MDTMB for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next fiscal year.

(2) Not later than March 1, the MDTMB shall submit a report to the standard report recipients that provides the amount of revenue collected by the MDTMB from the authorization in subsection (1) and the amount of revenue carried forward.

Sec. 822g. From the funds appropriated in part 1 for business support services, not more than an additional \$200,000.00 may be used to continue a comprehensive supplier risk and information subscription used for the precontract risk assessment program.

Sec. 822h. (1) From the funds in part 1 for capital city services, the MDTMB shall provide reimbursement to a city with a population of between 107,000 and 108,000 according to the most recent federal decennial census to provide support for local infrastructure and municipal services, including, but not limited to, maintenance or improvement of local roads, sidewalks, public utility infrastructure, emergency response, traffic management, or other public safety services that support the state capitol and adjacent state facilities.

(2) The MDTMB shall reimburse the city described in subsection (1) quarterly for eligible expenses if the city provides supporting documentation related to the eligible expenses to the MDTMB and the eligible expenses are approved for reimbursement.

(3) The city described in subsection (1) shall maintain and provide any supporting documentation that is requested for auditing purposes.

Sec. 822j. (1) The make it in Michigan competitiveness fund is created within the state treasury.

(2) Funds may be spent from the make it in Michigan competitiveness fund only on appropriation or administrative transfer pursuant to subsection (3).

(3) A transfer of funds from federal or state restricted contingency funds into make it in Michigan may be made by the state budget director not less than 30 days after notifying each member of the senate and house of representatives appropriations committees. Those transfers may be disapproved by either appropriations committee within the 30 days and, if disapproved within that time, are not effective.

(4) A transfer approved under this section constitutes authorization to transfer the amount recommended and approved. However, the amount must be reduced by the state budget director to be within the current unobligated amount of the appropriation.

(5) Transfers must not be authorized under any of the following circumstances:

(a) To create a new line-item appropriation or to create a new state program.

(b) To or from an operating appropriation line item that did not appear in the fiscal year appropriation bills for which the transfer is being made.

(c) To or from a work project as designated under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(d) Between state governmental funds.

(6) Interest and earnings from the investment of funds deposited in the make it in Michigan competitiveness fund must be deposited in the general fund.

(7) Funds in the make it in Michigan competitiveness fund at the close of a fiscal year remain in the make it in Michigan competitiveness fund and do not lapse to the general fund.

(8) Funds appropriated or transferred from the make it in Michigan competitiveness fund are available to leverage federal funding opportunities that include, but are not limited to, infrastructure, health, public safety, mobility and electrification, climate and the environment, economic development, or other funding

opportunities administered by the federal government. Funding opportunities may be in the form of formula or competitive-based grants, cooperative agreements, or contracts, and may include funds contained in the infrastructure investment and jobs act, Public Law 117-58, the CHIPS act of 2022, division A of Public Law 117-167, the inflation reduction act of 2022, Public Law 117-169, or any other federal acts.

(9) The Michigan infrastructure office, in collaboration with the state budget director, shall form an interagency evaluation committee that includes the department of environment, Great Lakes, and energy, the MDLEO, the MDOT, the MSF, or other entities at the discretion of the Michigan infrastructure office, to develop program guidelines and selection criteria for the recommended appropriation or transfer of funds. The interagency evaluation committee shall make recommendations to the director of the MDTMB and the state budget director on the disbursement of funds. Funding must also be used to cover all costs related to the administration of this section.

(10) The MDTMB shall inform the legislature not later than 30 days after any federal funds are received that would be used as the basis for recommended appropriations or transfers from the make it in Michigan competitiveness fund.

(11) Not later than 90 days after the close of each fiscal year, the MDTMB shall report to the legislature on the projects funded with make it in Michigan competitiveness fund money.

MEMORIALS

Sec. 822k. The MDTMB may receive and expend funds from the Vietnam veterans memorial monument fund in accordance with the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. The funds are appropriated and allocated when received by the MDTMB and may be expended on receipt.

Sec. 822l. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. The funds are appropriated and allocated when received by the Michigan veterans' memorial park commission and may be expended on receipt. Any deposit made under this section and any unencumbered funds are restricted revenues and may be carried over into subsequent fiscal years.

Sec. 822m. In addition to the funds appropriated in part 1, the MDTMB may receive and expend money from the Michigan law enforcement officers memorial monument fund in accordance with the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.786. Any deposit made into the fund is restricted revenues and must be carried over into succeeding fiscal years.

INFORMATION TECHNOLOGY

Sec. 824. The MDTMB may enter into agreements to provide spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The MDTMB may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The MDTMB may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services.

Sec. 825. (1) The legislature shall have access to all historical and current data contained within SIGMA, or its predecessor, pertaining to state departments.

(2) State departments shall have access to all historical and current data contained within SIGMA or its predecessor.

Sec. 826. As used in this part and part 1, "information technology services" means services that involve all aspects of managing and processing information, including, but not limited to, all of the following:

- (a) Application and mobile development and maintenance.
- (b) Desktop computer support and management.
- (c) Cybersecurity.
- (d) Social media.
- (e) Mainframe computer support and management.
- (f) Cloud services support and management, including, but not limited to, infrastructure as a service, platform as a service, and software as a service.
- (g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.
- (h) Information technology project management.
- (i) Information technology procurement and contract management.
- (j) Telecommunication services, security, infrastructure, and support.
- (k) Server support and management.
- (l) Information technology planning and budget management.

Sec. 827. (1) The MDTMB shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and deposit the fees in the Michigan public safety communications systems fees fund.

(2) All money received by the MDTMB under this section must be expended for the support and maintenance of the Michigan public safety communications system.

(3) Any deposits made under this section and unencumbered funds are restricted revenues and must be carried forward into succeeding fiscal years.

Sec. 828. Not later than 45 days after the end of the current fiscal year, the MDTMB shall submit a report to the standard report recipients that includes both of the following:

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

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

Sec. 830. (1) Any revenue collected from licenses issued under the antenna site management project shall be deposited in the antenna site management revolving fund created for this purpose in the MDTMB. The MDTMB may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year must be proportionately transferred to the appropriate state restricted funds as designated in a PA or the state constitution of 1963.

(2) An antenna must not be placed on any site under this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 831. If the MDTMB provides information technology services to a department or agency directly, the MDTMB shall submit a monthly invoice to the department or agency for the information technology services provided. If the MDTMB provides information technology services to a department or agency through a contracted vendor, the MDTMB shall submit an invoice to the department or agency not later than 60 days after the MDTMB receives approval to pay the vendor invoice.

Sec. 832. (1) The MDTMB shall inform the senate and house of representatives appropriations subcommittees on general government and the senate and house fiscal agencies not later than 30 days after learning of the proposal of a potential penalty proposed or the assessment of an actual penalty assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If a potential penalty is proposed by the federal government, the MDTMB shall submit a report to the standard report recipients not later than 90 days after the date the potential penalty is proposed specifying the MDTMB's plans to avoid the assessment of an actual penalty and ensure federal certification of the Michigan child support enforcement system.

Sec. 833. (1) The state budget director, on notification to the standard report recipients and the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the MDTMB to ensure that the appropriations for information technology in the MDTMB equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If, during the fiscal year, a supplemental appropriation or transfer is made under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, to or from an information technology line item in an agency budget, there is appropriated an equal amount of user fees in the MDTMB to accommodate an increase or decrease in spending authorization.

Sec. 837. All information technology projects funded by appropriations in part 1 must do both of the following:

(a) Use information technology project management best practices and services as defined or recommended by the enterprise portfolio management office of the MDTMB.

(b) Comply with the requirements of the state unified information technology environment methodology as it applies to all information technology project management processes.

Sec. 838. (1) The funds appropriated in part 1 for information technology investment fund must be used for the modernization of state information technology systems, improvement of this state's cybersecurity framework, and to achieve efficiencies.

(2) The MDTMB shall develop a plan regarding the use of the funds appropriated in part 1 for the information technology investment fund.

(3) The plan described in subsection (2) must include all of the following:

(a) A description of proposed information technology investment projects.

(b) The time frame for completion of the information technology investment projects.

(c) The initial budgeted amount for each project.

(d) The number of employees assigned to implement each information technology investment project.

(e) The contracts entered into for each information technology investment project.

(f) Any other information the MDTMB considers necessary.

(4) The MDTMB shall submit a report to the standard report recipients that includes the plan and the anticipated spending reductions or overages for each of the proposed information technology investment projects. The report must also include both of the following:

(a) A comparison of the initial budgeted amounts and cumulative costs, both by project and in total for all projects.

(b) The amount of any transfer of budgeted funds from 1 project to another.

STATE BUILDING AUTHORITY RENT

Sec. 842. (1) Funds appropriated in part 1 for state building authority rent may, in addition to this purpose, be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in the applicable insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of this state the amount necessary to pay the obligations.

OFFICE OF THE STATE EMPLOYER

Sec. 843. (1) The funds appropriated in part 1 for statewide appropriations must be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the MDTMB. The funds must be used as specified in joint labor/management agreements, or through the coordinated compensation hearings process. Any deposits of assessments made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the MDTMB may receive and expend funds in the additional amounts specified in joint labor/management agreements, or through the coordinated compensation hearings process, in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 844. In addition to the funds appropriated in part 1, the MDTMB may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions specified in joint labor/management agreements. The funds may also be transferred to other principal executive departments and state agencies under the joint labor/management agreement and any amounts transferred under the joint labor/management agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any funds received by the MDTMB under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year, and any unencumbered funds, may be carried over into the next fiscal year.

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds must be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. The civil service commission shall return any unexpended funds appropriated under this subsection to each 1% fund source not later than 6 months after the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the civil service commission may adjust financing sources for civil service charges based on actual payroll expenditures, if the adjustments do not increase the total appropriation for the civil service commission.

(3) The financing from restricted sources must be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 851. Except where specifically appropriated for this purpose, financing from restricted sources must be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage must be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority must be utilized to satisfy civil service commission operating deductions first and civil service commission obligations second. General fund dollars are appropriated for any shortfall, if approved by the state budget director.

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various

appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program must be made from assessments levied during the fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, and any remaining balance of unspent employee contributions lapses to the general fund.

Sec. 853. From the funds appropriated in part 1, the Michigan civil service commission shall continue to work toward completing its review of current employee classifications and educational requirements necessary for employment. On completion of the review, the commission, where possible, shall substitute relevant experience for the default educational requirement of a bachelor's degree.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 875 of this part:

(a) "Board" means the state administrative board created in section 1 of 1921 PA 2, MCL 17.1.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

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

(d) "State agency" means an agency of state government. State agency does not include a community college or university.

(e) "State building authority" means the authority created in section 2 of 1964 PA 183, MCL 830.412.

(f) "University" means a 4-year university supported by this state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 862. (1) The MDTMB shall submit a report to the standard report recipients and the JCOS on the status of each planning or construction project financed by the state building authority, this part and part 1, or a previous PA.

(2) Before the end of the fiscal year, the MDTMB shall submit a report to the standard report recipients and the JCOS for each capital outlay project other than lump sums that includes all of the following:

(a) The account number and name of each construction project.

(b) The balance remaining in each account.

(c) The date of the last expenditure from the account.

(d) The anticipated date of occupancy if the project is under construction.

(e) The appropriations history for the project.

(f) The professional service contractor.

(g) The amount of the project financed with federal funds.

(h) The amount of the project financed through the state building authority.

(i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of the fiscal year, the MDTMB shall submit a report to the standard report recipients and the JCOS on all of the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

(a) The name of the project and account number.

(b) Whether a program statement is approved.

(c) Whether schematics are approved by the MDTMB.

(d) Whether preliminary plans are approved by the MDTMB.

(e) The name of the professional service contractor.

(4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 864. The appropriations in part 1 for capital outlay must be carried forward at the end of the fiscal year in accordance with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is created in the MDTMB. The MEDC board and the state budget director shall determine whether a specific state-owned site qualifies for inclusion in the site preparation economic development fund.

(2) Any proceeds from the sale of an economic development site must be deposited in the site preparation economic development fund and are available for site preparation expenditures, unless otherwise provided by law. The economic development sites are authorized for sale consistent with state law. Expenditures from the site preparation economic development fund are authorized for site preparation activities that enhance the marketable sale value of the economic development sites.

(3) A cash advance in an amount of not more than \$25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) Not later than December 31, the MDTMB shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations that includes both of the following:

(a) The revenue and expenditure activity in the site preparation economic development fund for the immediately preceding fiscal year.

(b) The sites identified as economic development sites.

(5) As used in this section:

(a) "Economic development site" means a state-owned site that is declared as surplus property under section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, and would provide economic benefit to the area of the site or to this state.

(b) "Site preparation activities" includes, but is not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

Sec. 866. (1) The energy efficiency revolving fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the energy efficiency revolving fund. The state treasurer shall direct the investment of the energy efficiency revolving fund. The state treasurer shall credit to the energy efficiency revolving fund interest and earnings from energy efficiency revolving fund investments.

(2) Money in the energy efficiency revolving fund at the close of the fiscal year remains in the energy efficiency revolving fund and does not lapse to the general fund.

(3) The MDTMB shall provide oversight and direction for the energy efficiency revolving fund, coordinate a call for projects, and prioritize the award of projects that will contribute to a reduction in this state's carbon footprint. State administrative costs must be not more than 10% of the total project cost.

(4) The MDTMB shall set terms with agencies participating in the energy efficiency revolving fund program that include the scope of each project, funding commitments, data collection and reporting requirements, and any other financial terms related to realization of energy savings related to implementation of the project. The MDTMB may enter into a memorandum of understanding to memorialize these terms.

(5) Not later than February 1, the MDTMB shall submit a report to the standard report recipients on projects funded under this section in the immediately preceding fiscal year. The report must list each approved project, the amount provided from the energy efficiency revolving fund for each project, the department or agency under which the project belongs, anticipated annual savings from each project, and revenue from savings deposited into the energy efficiency revolving fund by project.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. The funding must be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college may be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board on the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the amounts appropriated as required by this part and part 1. A release of funds in part 1 must not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, must be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous PAs.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a previous year unfunded application may receive federal money in a subsequent year, the community college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds must be reduced in proportion to the amount of matching revenue received.

Sec. 875. (1) The director may require that community colleges and universities that have an authorized project described in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or governing board approval of the authorized project, the director may terminate the authorization. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS approves an extension of the authorization.

ONE-TIME APPROPRIATIONS

Sec. 890. From the funds appropriated in part 1 for menstrual products, the MDTMB shall provide free menstrual discharge absorption devices in the restrooms of buildings and facilities that are owned or managed by the MDTMB. To the extent possible, the MDTMB shall encourage the provision of menstrual discharge absorption devices in buildings and facilities that are leased by the MDTMB.

Sec. 891. (1) From the funds appropriated in part 1 for MPSCS lifecycle replacement, the office of MPSCS shall perform lifecycle replacement work, including, but not limited to, equipment upgrades, security, and maintenance.

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

(a) The purpose of the project is to support lifecycle replacement, equipment, security, and maintenance of the MPSCS.

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

(c) The total estimated cost of the project is \$25,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 894. (1) The MDTMB shall work with the office of retirement services to contract with the state's actuary to conduct a study that provides an actuarial analysis on the impact to the state employees' retirement system created under section 2 of the state employees' retirement act, 1943 PA 240, MCL 38.2, for the proposals identified in subsection (2).

(2) Subject to subsections (3) to (5), the study must analyze all of the following proposals:

(a) Replacement of the current 3% or \$300.00 cap with a cost-of-living adjustment based on the Consumer Price Index for Americans 62 years of age or older.

(b) Replacement of the \$300.00 cap with \$808.00 adjusted annually according to the Consumer Price Index for Americans 62 years of age or older.

(c) Replacement of the 3% or \$300.00 cap with a 4% or \$400.00 cap.

(3) The actuary shall model the proposals described in subsection (2) with all of the following assumptions:

(a) That the proposed COLA changes begin prospectively.

(b) That the COLAs made to a retiree's compensation after retirement and before the prospective change remain unchanged.

(c) That the proposed COLA changes are applied to the retiree's base pension amount excluding previous COLAs.

(4) The actuary must include in the study an estimate of the number of individuals impacted under each proposal.

(5) The actuary must include in the study an analysis of a 30-year projection of costs to this state to implement the proposals described in subsection (2).

(6) As used in this section, "COLA" means cost of living adjustment.

DEPARTMENT OF TREASURY OPERATIONS

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$10,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$100,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$20,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, all repayments received by this state on loans made from the school bond loan fund that the state treasurer determines are not required to be deposited in the school loan revolving fund under section 4 of 1961 PA 112, MCL 388.984, are appropriated to the department of treasury for the payment of debt service, including, but not limited to, optional and mandatory redemptions, on bonds, notes, or commercial paper issued by this state under 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. As a condition of receiving the appropriations in part 1, not later than 30 days after a refunding or restructuring bond issue is sold, the department of treasury must submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include all of the following:

(a) A comparison of the annual debt service before the refinancing or restructuring to the annual debt service after the refinancing or restructuring.

(b) The change in the principal and interest over the duration of the debt.

(c) The projected change in the present value of the debt service as a result of the refinancing and restructuring.

Sec. 902b. As a condition of receiving the appropriations in part 1, not later than 30 days after the state of Michigan comprehensive annual financial report under section 494 of the management and budget act, 1984 PA 431, MCL 18.1494, is published, the department of treasury shall submit a report to the standard report recipients on all funds that are controlled or administered by the department of treasury and not appropriated in part 1. The current and all previous reports prepared as required under this section must be saved and made available on the department of treasury's public website and stored in a common location with all other reports that the department of treasury is required by law to prepare. The link to the location of the reports must be clearly indicated on the main page of the department of treasury's internet website. The report must include all of the following information for each fund for the immediately preceding fiscal year:

(a) The starting balance.

(b) Total revenue generated by transfers in and investments.

(c) Total expenditures.

(d) The ending balance.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with law firms or private collection agencies to collect taxes and other accounts due this state or due a city for which the department of treasury has entered into an agreement to provide tax administration services. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund the cost of these collections, including infrastructure costs. The additional amounts appropriated under this subsection must not exceed 25% of the collections or 2.5% plus operating costs, as applicable. Each contract must prescribe the applicable amount. The amounts appropriated to fund collection costs and fees under this subsection are appropriated from the fund or account to which the corresponding taxes and other accounts being collected are recorded or dedicated. However, if the taxes and other accounts collected are dedicated for a specific purpose under the state constitution of 1963, the amounts appropriated under this subsection are appropriated from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with law firms or private collections agencies to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The amounts appropriated under this subsection are appropriated from the fund or account to which the revenues being collected are recorded or dedicated.

(3) By November 30, the department of treasury shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include all of the following information for the immediately preceding fiscal year:

(a) The name of each law firm and each private collection agency that the department of treasury contracted with under subsection (1) or (2).

(b) The amount collected under each contract.

(c) The costs of collection under each contract.

(d) Any other information that is pertinent to determining whether the authority described in subsection (1) or (2) should be continued.

Sec. 904. (1) The bureau of investments of the department of treasury may charge an investment service fee against the applicable retirement funds. The revenue from the investment service fees charged under this subsection may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission retirement fund and the state employees' retirement fund. If the bureau of investments of the department of treasury charges a total amount of investment service fees under this subsection that is greater than the aggregate amount appropriated in part 1, the bureau of investments of the department of treasury shall periodically repay the surplus revenue to the applicable retirement funds. The department of treasury shall maintain accounting records in sufficient detail to enable repayment under this subsection.

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

(3) Not later than November 30, the department of treasury shall submit a report to the standard report recipients that identifies the service fees assessed against each retirement system under subsection (1) and the methodology used for assessment.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions or equivalent vendors that perform these financial services, including the department of treasury, as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) must be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to cover these expenditures. If the amounts of common cash interest earnings are insufficient to cover these expenditures, miscellaneous revenues must be used to fund the remaining balance of these expenditures.

Sec. 905. The municipal finance fee fund is created in the department of treasury as a revolving fund. The department of treasury shall deposit the fees that the department of treasury collects under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, into the municipal finance fee fund. The money in the fund at the end of the fiscal year may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as allowed under state or federal law or under a contract between the department of treasury and a local unit of government, other principal executive department, or state agency. However, the department of treasury shall not charge more than the actual cost for performing the audit. Not later than November 30, the department of treasury shall submit a report to the standard report recipients that includes details of the audits performed and audit charges for the immediately preceding fiscal year.

(2) The audit charges fund is created in the department of treasury as a revolving fund. The department of treasury shall deposit the contractual charges collected under subsection (1) into the audit charges fund. The money in the fund at the end of the fiscal year may be carried forward for future appropriation.

Sec. 907. (1) The department of treasury shall create and operate a property assessor certification and training program. The purpose of the program is to offer courses in assessment administration.

(2) The assessor certification and training fund is created in the department of treasury as a revolving fund. The department of treasury shall use the money in the assessor certification and training fund to create and operate the property assessor certification and training program described in subsection (1).

(3) Each participant in the program shall pay to the department of treasury an examination fee not to exceed \$50.00 per examination and a certification fee not to exceed \$175.00. In addition, each participant shall pay a fee to cover the expenses incurred in offering the program to certified assessing personnel and other individuals interested in an assessment career opportunity. The department of treasury shall deposit the fees collected under this subsection into the property assessor certification and training program fund.

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

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

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. (1) There is appropriated an amount sufficient to recognize and pay refundable tax credits, tax refunds, and interest as provided by law.

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

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

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

(b) A fee of \$6.00 at the time any other writ of garnishment is served on the state treasurer. However, the fee must be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits that is filed electronically.

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

(2) The department of treasury may use a portion of the funds appropriated in part 1 for the senior citizen cooperative housing tax exemption program for an audit of the program. The department of treasury shall submit copies of any completed audit report to the standard report recipients. The department of treasury may use not more than 1% of the funds for administering and auditing the program.

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

Sec. 915. As required under section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for the 2023 tax year. Except as otherwise provided in this section, the amount appropriated does not revert to the general fund and remains in the state campaign fund. Any amount that remains in the state campaign fund in excess of \$10,000,000.00 on December 31 reverts to the general fund.

Sec. 916. (1) The department of treasury may make available to an interested entity a customized list of otherwise unavailable nonconfidential information regarding unclaimed property that is in the department of treasury's possession. The department of treasury shall charge for this information as follows:

(a) For 1 to 100,000 records, 2.5 cents per record.

(b) For 100,001 or more records, 0.5 cents per record.

(2) The revenue received under subsection (1) must be deposited in the revenue account or fund that is associated with the applicable unclaimed property.

(3) Not later than June 1, the department of treasury shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of the information under this section.

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

(2) Not later than November 30, the department of treasury shall submit a report to the standard report recipients. The report must include all of the following information for the immediately preceding fiscal year:

(a) The amounts appropriated for write-offs and advances under subsection (1).

(b) An explanation for each write-off or advance under subsection (1).

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections or a lesser amount as prescribed by the applicable contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) Not later than November 30, the department of treasury shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include all of the following information for the immediately preceding fiscal year:

(a) The name of each auditing firm that the department of treasury contracted with under subsection (1).

(b) The amount collected by each of the auditing firms.

(c) The costs of collection.

(d) Any other information that is pertinent to determining whether the authority under subsection (1) should be continued.

Sec. 920. Not later than June 30, from the funds appropriated in part 1, the department of treasury shall do both of the following:

(a) Produce a list of all personal property tax reimbursement payments to be distributed in the current fiscal year by the local community stabilization authority.

(b) Post the list produced under subdivision (a) on the department of treasury's public website.

Sec. 921. From the funds appropriated in part 1, the department of treasury shall, for each revenue administrative bulletin, administrative rule that involves tax administration or collection, and notice interpreting a change in law, submit a notification to every member of the legislature. The department of treasury shall submit the notification not later than 3 days after the department of treasury posts the notification. Each notification must include all of the following:

(a) A summary of the proposed changes from current procedures.

(b) Identification of industries that will or might be affected by the bulletin, rule, or notice.

(c) A statement of the potential fiscal implications of the bulletin, rule, or notice. This subdivision does not apply to a bulletin, rule, or notice that is a routine update of a tax or interest rate required by statute.

(d) A summary of the reason for the proposed change.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) Not later than December 31, the department of treasury shall submit a report to the standard report recipients that includes the amount of exemptions denied and the revenue received under the program described in subsection (1) for the immediately preceding fiscal year.

Sec. 927. The department of treasury shall submit a progress report regarding essential service assessment audits to the standard report recipients. The report must include all of the following:

(a) The number of audits.

(b) The revenue generated from the audits.

(c) The number of complaints received by the department of treasury related to the audits.

Sec. 928. The department of treasury may provide receipt, check and cash processing, data, collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and must be expended for salaries, wages, fees, supplies, and equipment necessary to provide the services. Money in the fund that is unobligated at the end of the fiscal year lapses to the general fund.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies in accordance with 1927 PA 375, MCL 14.131 to 14.134, or to a city with which the department of treasury has contracted to provide tax administration services. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except for unrestricted general fund collections. Fees must be credited to a restricted revenue account and are appropriated to the department of treasury to pay for the cost of collections. If the department of treasury deducts fees under this subsection that total an amount that is greater than the actual cost of the collections, the department of treasury shall periodically repay the surplus to the respective account. The department of treasury shall maintain accounting records in sufficient detail to enable repayment under this subsection.

(2) Not later than November 30, the department of treasury shall submit a report to the standard report recipients that includes the following information regarding subsection (1) for the immediately preceding fiscal year:

(a) The principal executive departments and state agencies served.

(b) The funds collected.

(c) The costs of collection.

Sec. 931. (1) Except as otherwise provided in this subsection, the appropriation in part 1 to the department of treasury for treasury fees must be assessed against all restricted funds that receive common cash earnings or other investment income. This subsection does not apply to federal or state restricted funds that are temporary in nature or otherwise do not qualify to be assessed treasury fees. The fee assessed against each restricted fund must be based on the size of the restricted fund, calculated as the absolute value of the average daily cash balance plus the market value of investments in the immediately preceding fiscal year, and the level of resources necessary to maintain the restricted fund as required by each department. Not later than November 30, the department of treasury shall submit a report to the standard report recipients that identifies the fees assessed against each restricted fund and the methodology used for the assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees that are related to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year.

(3) As used in this section, “treasury fees” includes all costs, including administrative overhead, that are related to the investment of a restricted fund.

Sec. 932. The board of directors of the Michigan education trust may expend revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, for necessary salaries, wages, supplies, contractual services, equipment, worker’s compensation insurance premiums, and grants to the civil service commission retirement fund and the state employees’ retirement fund.

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the MFA, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker’s compensation insurance premiums, grants to the civil service commission retirement fund and the state employees’ retirement fund, and other expenses as allowed under those acts or executive reorganization orders.

(2) Not later than January 31, the department of treasury shall submit a report to the standard report recipients that includes both of the following for the immediately preceding fiscal year:

(a) The amount and purpose of expenditures of \$250,000.00 or more that are made under subsection (1) from funds received by the department of treasury that are in addition to those appropriated in part 1.

(b) A list of reimbursement of revenue, if any.

Sec. 935. The position of student loan ombudsman is created in the department of treasury’s advocacy services team. The student loan ombudsman serves as an advocate for borrowers and shall work with the financial resource navigator within the department of lifelong learning and potential to provide technical assistance to individuals taking out or paying off student loans.

Sec. 936. Revenue collected in the state forensic laboratory fund is appropriated and shall be distributed in accordance with section 7 of the forensic laboratory funding act, 1994 PA 35, MCL 12.207.

Sec. 937. As a condition of receiving funds in part 1, not later than March 31, the department of treasury shall submit a report to the standard report recipients and the senate and house standing committees on appropriations regarding the performance of the Michigan accounts receivable collections system. The report must include all of the following:

(a) Information regarding the effectiveness of the department of treasury’s current collection strategies, including the use of vendors or contractors.

(b) The amount of delinquent accounts and collection referrals to vendors and contractors.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department of treasury’s strategy to manage delinquent accounts when those accounts exceed the vendor’s or contractor’s contracted collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 938. Revenue collected in the qualified heavy equipment rental personal property exemption reimbursement fund is appropriated and must be distributed in accordance with section 9 of the qualified heavy equipment rental personal property specific tax act, 2022 PA 35, MCL 211.1129.

Sec. 939. Revenue deposited in the local government reimbursement fund is appropriated and must be distributed in accordance with section 3a of the Michigan trust fund act, 2000 PA 489, MCL 12.253a.

Sec. 940. (1) The election administration support fund is created in the state treasury.

(2) Any unexpended funds in the election administration support fund must be carried forward and are available for expenditure under this section.

(3) Funds may be spent from the election administration support fund only on appropriation, or legislative transfer pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) The state treasurer may receive money or other assets from any source for deposit in the election administration support fund. The state treasurer shall direct the investment of the election administration support fund. The state treasurer shall credit to the election administration support fund interest and earnings from the election administration support fund.

(5) Funds in the election administration support fund at the close of the fiscal year remain in the election administration support fund and do not lapse to the general fund.

(6) Funds appropriated in part 1 for election administration support fund must be deposited in the election administration support fund.

Sec. 941. (1) Not later than November 1, from the funds appropriated in part 1, the department of treasury, in conjunction with the MSF, shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the annual cost of the MEGA tax credits. The report must include, for each year from 1995 to the expiration of the MEGA tax credit program, the board-approved credit amount, adjusted for credit amendments if applicable, and the actual and projected value of tax credits. For years for which credit claims are complete, the report must include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report must include a combination of actual credits if available and projected credits. Credit projections must be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), not later than November 1, the department of treasury, in conjunction with the MSF, shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the annual cost of all other certificated credits by program for each year until the credits expire or can no longer be collected. The report must include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 944. From the funds appropriated in part 1, if the department of treasury hires a pension plan consultant using any of the funds appropriated in part 1, the department of treasury shall do all of the following:

(a) Retain each report provided to the department of treasury by that consultant.

(b) Notify the standard report recipients that the department of treasury has hired a pension plan consultant, including the reason why the department of treasury hired the pension plan consultant.

(c) Make a report described in subdivision (a) available to a standard report recipient if requested by the standard report recipient.

Sec. 945. From the funds appropriated in part 1, audits of local unit assessment administration practices, procedures, and records must be conducted in each assessment jurisdiction a minimum of 1 time every 5 years and in accordance with section 10g of the general property tax act, 1893 PA 206, MCL 211.10g.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and must be distributed in accordance with sections 8, 9, and 10 of the state convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

Sec. 947. It is the intent of the legislature that financial independence teams cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay the costs of the contracts or to fund operations designed to reduce fraudulent income tax refund payments. The additional amount appropriated under this subsection must not be greater than \$2,000,000.00. The appropriation to fund fraud prevention efforts under this subsection is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) Not later than November 30, the department of treasury shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include all of the following for the immediately preceding fiscal year:

(a) The number of refund claims denied because of the fraud prevention operations.

(b) The amount of refunds denied.

(c) The costs of the fraud prevention operations.

(d) Any other information that is pertinent to determining whether the authority under subsection (1) should be continued.

Sec. 949a. From the funds appropriated in part 1 for city income tax administration program, the department of treasury may expand its individual income tax administration for any additional cities that enter into service-level agreements with the department of treasury for this purpose. In addition to the funds appropriated in part 1, any additional local funds received as part of the service-level agreements are appropriated to the department for staffing and administration of the program.

Sec. 949b. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund,

including tax capture revenues collected for calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the MSF for administrative expenses, are appropriated in accordance with chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 949c. From the funds appropriated in part 1, funds must be expended in coordination with the department of agriculture and rural development to improve the timely processing and issuance of tax credits from the Michigan's farmland and open space preservation program created under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207, including, but not limited to, all of the following:

- (a) Timely review of mailed applications and paperwork.
- (b) Timely and proactive communications to applicants regarding the status of the applicant's application.
- (c) A clear and understood timeline for the issuance of any tax credits.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department of treasury shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department of treasury shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department of treasury's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) Not later than March 15, the department of treasury shall submit a report to the standard report recipients that includes both of the following:

- (a) A description of the specific outcomes and measures required in subsection (1).
- (b) The results and data related to these outcomes and measures.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The purpose of the program is to provide a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property. The program must provide the department of treasury with the ability to collect the state essential services assessment.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a population of more than 1,700,000 according to the most recent federal decennial census is appropriated and must be distributed in accordance with section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949h. Revenue from part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and must be distributed in accordance with part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949i. Revenue from the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, is appropriated and must be distributed in accordance with the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

Sec. 949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments under section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

Sec. 949k. There is appropriated an amount equal to the tax captured revenues due under approved transformational brownfield plans created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

Sec. 949m. From the funds appropriated in part 1, the Michigan infrastructure council shall plan, conduct, and contract for asset management improvement activities, including, but not limited to, any of the following:

- (a) Infrastructure data collection activities.
- (b) Asset manager training.
- (c) Development of a 30-year asset management plan for this state.
- (d) Assistance in asset management improvement projects, including maintaining an asset management portal.
- (e) Any other projects that promote improved asset management for infrastructure in this state.

Sec. 949n. In addition to the funds appropriated in part 1, the money in the fostering futures scholarship trust fund, including any money received as gifts or donations to the fostering futures scholarship trust fund, is appropriated and the department of treasury may issue payments in compliance with the fostering futures scholarship trust fund act, 2008 PA 525, MCL 722.1021 to 722.1031.

REVENUE SHARING

Sec. 950. The department of treasury shall distribute the funds appropriated in part 1 for constitutional revenue sharing to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships and must be distributed as provided in this section.

(2) From the first \$299,126,400.00 appropriated in part 1 for city, village, and township revenue sharing, each city, village, or township shall receive an amount equal to 100.0% of the revenue sharing payment for which the city, village, or township would have been eligible to receive under section 952 of article 5 of 2023 PA 119, rounded to the nearest dollar, regardless of whether any limitation or eligibility criteria under section 952 of article 5 of 2023 PA 119 was satisfied.

(3) The remaining amount appropriated in part 1 for city, village, and township revenue sharing after the distributions under subsection (2) must be distributed as follows:

(a) 1/3 shall be distributed as taxable value payments as provided under subsection (4).

(b) 1/3 must be distributed as unit type population payments as provided under subsection (5).

(c) 1/3 must be distributed as yield equalization payments as provided under subsection (6).

(4) A taxable value payment must be made to each city, village, and township, determined as follows:

(a) Determine the per capita taxable value for each city, village, and township by dividing the taxable value of that city, village, or township by the population of that city, village, or township.

(b) Determine the statewide per capita taxable value by dividing the total taxable value of all cities, villages, and townships by the total population of all cities, villages, and townships.

(c) Determine the per capita taxable value ratio for each city, village, and township by dividing the statewide per capita taxable value by the per capita taxable value for that city, village, or township.

(d) Determine the adjusted taxable value population for each city, village, and township by multiplying the per capita taxable value ratio as determined under subdivision (c) for that city, village, or township by the population of that city, village, or township.

(e) Determine the total statewide adjusted taxable value population, which is the sum of all adjusted taxable value population for all cities, villages, and townships.

(f) Determine the taxable value payment rate by dividing the amount to be distributed under this subsection by the total statewide adjusted taxable value population as determined under subdivision (e).

(g) Determine the taxable value payment for each city, village, and township by multiplying the result under subdivision (f) by the adjusted taxable value population for that city, village, or township.

(5) A unit type population payment must be made to each city, village, and township, determined as follows:

(a) Determine the unit type population weight factor for each city, village, and township as follows:

(i) For a township with a population of 5,000 or less, 1.0.

(ii) For a township with a population of more than 5,000 but less than 10,001, 1.2.

(iii) Except as otherwise provided in subparagraph (xix), for a township with a population of more than 10,000 but less than 20,001, 1.44.

(iv) For a township with a population of more than 20,000 but less than 40,001, 4.32.

(v) For a township with a population of more than 40,000 but less than 80,001, 5.18.

(vi) For a township with a population of more than 80,000, 6.22.

(vii) For a village with a population of 5,000 or less, 1.5.

(viii) For a village with a population of more than 5,000 but less than 10,001, 1.8.

(ix) For a village with a population of more than 10,000, 2.16.

(x) For a city with a population of 5,000 or less, 2.5.

(xi) For a city with a population of more than 5,000 but less than 10,001, 3.0.

(xii) For a city with a population of more than 10,000 but less than 20,001, 3.6.

(xiii) For a city with a population of more than 20,000 but less than 40,001, 4.32.

(xiv) For a city with a population of more than 40,000 but less than 80,001, 5.18.

(xv) For a city with a population of more than 80,000 but less than 160,001, 6.22.

(xvi) For a city with a population of more than 160,000 but less than 320,001, 7.46.

(xvii) For a city with a population of more than 320,000 but less than 640,001, 8.96.

(xviii) For a city with a population of more than 640,000, 10.75.

(xix) For a township that has a population of not less than 10,000 and provides documentation to the department of treasury that the township provides for or makes available all of the following, the unit type population weight factor for a city with the same population:

(A) Fire services.

(B) Police services on a 24-hour basis either through contracting for or directly employing personnel.

(C) Water services to 50% or more of its residents.

(D) Sewer services to 50% or more of its residents.

(b) Determine the adjusted unit type population for each city, village, and township by multiplying the unit type population weight factor for that city, village, or township as determined under subdivision (a) by the population of the city, village, or township.

(c) Determine the total statewide adjusted unit type population, which is the sum of the adjusted unit type population for all cities, villages, and townships.

(d) Determine the unit type population payment rate by dividing the amount to be distributed under this subsection by the total statewide adjusted unit type population as determined under subdivision (c).

(e) Determine the unit type population payment for each city, village, and township by multiplying the result under subdivision (d) by the adjusted unit type population for that city, village, or township.

(6) A yield equalization payment must be made to each city, village, and township in an amount that is sufficient to provide the guaranteed tax base for a local tax effort, but not to exceed 0.02. The payment must be determined as follows:

(a) The guaranteed tax base is the maximum combined state and local per capita taxable value that can be guaranteed in a state fiscal year to each city, village, and township for a local tax effort, not to exceed 0.02, if an amount equal to the amount described in subsection (3)(c) is distributed to cities, villages, and townships whose per capita taxable value is below the guaranteed tax base.

(b) The full yield equalization payment to each city, village, and township is the product of the amounts determined under subparagraphs (i) and (ii):

(i) An amount greater than zero that is equal to the difference between the guaranteed tax base determined in subdivision (a) and the per capita taxable value of the city, village, or township.

(ii) The local tax effort of the city, village, or township, not to exceed 0.02, multiplied by the population of that city, village, or township.

(7) For purposes of this section, any city, village, or township that completely merges with another city, village, or township must be treated as a single entity, so that when determining the eligible city, village, and township revenue sharing payment under section 952 of article 5 of 2023 PA 119 for the combined single entity, the city, village, and township revenue sharing amount that each of the merging local units of government was eligible to receive under section 952 of article 5 of 2023 PA 119 is summed.

Sec. 954. (1) Cities, villages, and townships receiving a payment under section 952(2) and counties receiving a payment under section 955(2) shall receive 1/6 of their total payment on the last business day of October, December, February, April, June, and August. On the last business day of February 2025, cities, villages, and townships receiving a payment under section 952(3) and counties receiving a payment under section 955(3) shall receive 50% of the estimated payment to be received under section 952(3) or 955(3), as applicable. On the last business day of June 2025, cities, villages, and townships receiving a payment under section 952(3) and counties receiving a payment under 955(3) shall receive any remaining payment calculated under section 952(3) or 955(3), as applicable.

(2) Payments distributed under section 952 or section 955 may be withheld in accordance with sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(3) If a city, village, or township that receives a payment under section 952 is determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, the city, village, or township must allocate to its pension unfunded liability an amount equal to 50% of the difference between its current year payment under section 952 and the amount the city, village or township would have been eligible to receive under section 952 of article 5 of 2023 PA 119, rounded to the nearest dollar, regardless of whether any limitation or eligibility criteria under section 952 of article 5 of 2023 PA 119 was satisfied. A city, village, or township that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

(4) If a county that receives a payment under section 955 is determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, the county must allocate to its pension unfunded liability an amount equal to 50% of the difference between its current year payment under section 955 and the amount the county would have been eligible to receive under section 955 of article 5 of 2023 PA 119, rounded to the nearest dollar, regardless of whether any limitation or eligibility criteria under section 955 of article 5 of 2023 PA 119 was satisfied. A county that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing are for grants to counties and must be distributed as provided in this section.

(2) From the first \$261,069,700.00 appropriated in part 1, each county shall receive an amount equal to 100.0% of the revenue sharing payment for which the county would have been eligible to receive under section 955 of article 5 of 2023 PA 119, rounded to the nearest dollar, regardless of whether any limitation or eligibility criteria under sections 952 and 955 of article 5 of 2023 PA 119 was satisfied.

(3) From the remaining amount appropriated in part 1 for county revenue sharing after the distributions under subsection (2), a taxable value payment must be made to each county, determined as follows:

(a) Determine the per capita taxable value for each county by dividing the taxable value of that county by the population of that county.

(b) Determine the statewide per capita taxable value by dividing the total taxable value of all counties by the total population of all counties.

(c) Determine the per capita taxable value ratio for each county by dividing the statewide per capita taxable value by the per capita taxable value for that county.

(d) Determine the adjusted taxable value population for each county by multiplying the per capita taxable value ratio as determined under subdivision (c) for that county by the population of that county.

(e) Determine the total statewide adjusted taxable value population, which is the sum of all adjusted taxable value population for all counties.

(f) Determine the taxable value payment rate by dividing the amount to be distributed under this subsection by the total statewide adjusted taxable value population as determined under subdivision (e).

(g) Determine the taxable value payment for each county by multiplying the result under subdivision (f) by the adjusted taxable value population for that county.

Sec. 956. (1) From the funds appropriated in part 1 for financially distressed cities, villages, or townships, the department of treasury shall create and operate a grant program to award grants to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants must be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to do 1 or more of the following:

(a) Make payments to reduce unfunded accrued liability.

(b) Repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township.

(c) Reduce debt obligations.

(d) Pay for costs associated with a transition to shared services with another jurisdiction.

(e) Administer other projects that move the city, village, or township toward financial stability.

(2) The department of treasury shall award not more than \$2,000,000.00 to any city, village, or township under this section.

(3) Not later than March 31, the department of treasury shall submit a report to the standard report recipients that includes all of the following for each grant recipient.

(a) The name of the grant recipient.

(b) The date the grant was approved.

(c) The amount of the grant.

(d) A description of the project or projects that will be paid by the grant.

(4) The unexpended funds appropriated in part 1 for financially distressed cities, villages, or townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is \$2,500,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 957. A term that is defined in the Glenn Steil state revenue sharing act, 1971 PA 140, MCL 141.901 to 141.921, has the same meaning when used in sections 950 to 956.

Sec. 959. Revenue collected in the public safety and violence prevention fund created in section 11a of the Michigan trust fund act, 2000 PA 489, MCL 12.261a, is appropriated and must be distributed in accordance with section 11b of the Michigan trust fund act, 2000 PA 489, MCL 12.261b. Revenue appropriated under this section must not be spent or otherwise distributed unless both of the following bills of the 102nd Legislature are enacted into law:

(a) House Bill No. 4605.

(b) House Bill No. 4606.

BUREAU OF STATE LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 964. For the bureau of state lottery, there is appropriated 1% of the lottery's immediately preceding fiscal year's gross sales for promotion and advertising.

MICHIGAN GAMING CONTROL BOARD

Sec. 970. As used in sections 971 to 979:

(a) "Compulsive gaming prevention fund" means the compulsive gaming prevention fund created in section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL 432.253.

(b) "Fantasy contest fund" means the fantasy contest fund created in section 16 of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516.

(c) "First responder presumed coverage fund" means the first responder presumed coverage fund created in section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

(d) "Internet gaming fund" means the internet gaming fund created in section 16 of the lawful internet gaming act, 2019 PA 152, MCL 432.316.

(e) "Internet sports betting fund" means the internet sports betting fund created in section 16 of the lawful sports betting act, 2019 PA 149, MCL 432.416.

Sec. 971. (1) From the revenue collected by the Michigan gaming control board from the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and must be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a.

(2) From the money remaining in the internet sports betting fund after expenditures for costs incurred by the Michigan gaming control board for regulating and enforcing internet sports betting under the lawful sports betting act, 2019 PA 149, MCL 432.401 to 432.419, \$1,000,000.00 is appropriated from the internet sports betting fund and must be deposited in the compulsive gaming prevention fund as described in section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416. After these disbursements have been made, \$2,000,000.00 is appropriated from the internet sports betting fund and must be deposited in the first responder presumed coverage fund as described in section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416.

(3) From the money remaining in the internet gaming fund after expenditures for costs incurred by the board for regulating and enforcing internet gaming under the lawful internet gaming act, 2019 PA 152, MCL 432.301 to 432.322, and the costs of administering and enforcing millionaire party activity authorized by the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, \$3,000,000.00 is appropriated from the internet gaming fund and must be deposited in the compulsive gaming prevention fund as described in section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, except as provided in section 15(2) of the lawful internet gaming act, 2019 PA 152, MCL 432.315. After these disbursements have been made, \$2,000,000.00 is appropriated from the internet gaming fund and must be deposited in the first responder presumed coverage fund as described in section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316.

Sec. 972. After all other required expenditures described in section 16(3) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416 are made, any money remaining in the fantasy contest fund, internet gaming fund, and internet sports betting fund is appropriated and must be deposited in the state school aid fund as described in section 16(3)(b) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416.

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

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

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

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursal of tribal casino payments received in accordance with applicable provisions of the tribal-state class III gaming compact under which those funds are received.

(5) The director of the MDSP and the executive director of the Michigan gaming control board may assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(6) Not later than September 30, the Michigan gaming control board shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the receipts and distribution of revenues by local revenue sharing boards.

Sec. 974. If revenues collected in the state services fee fund created in section 12a of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a, are less than the amounts appropriated from the state services fee fund, available revenues must be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the state services fee fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall must be distributed proportionally among those departments and agencies.

Sec. 975. In expending the funds appropriated in part 1 for advertising for responsible gaming, the Michigan gaming control board shall engage with MDHHS on strategies to support addiction prevention and education efforts in addition to advertising for responsible gaming. Not later than September 1, the Michigan gaming control board shall submit a report to the standard report recipients on the expenditures and programming funded from the appropriations in part 1 for advertising for responsible gaming.

Sec. 976. The executive director of the Michigan gaming control board may pay rewards of not more than \$5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid under this section must be paid out of the appropriation in part 1 for the racing commission.

Sec. 977. All appropriations from the equine industry development fund created in section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320, except for the racing commission appropriations, must be reduced proportionately if revenues to the equine industry development fund decline during the current fiscal year to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall submit a report of that data to the standard report recipients and the senate and house of representatives appropriations subcommittees on agriculture. The Michigan gaming control board may not be reimbursed for more than the actual regulatory cost of conducting race dates. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed of horse may require different regulatory mechanisms.

Sec. 979. From the funds appropriated in part 1 for millionaire party regulation, the Michigan gaming control board may receive and expend internet gaming fund revenue in an amount that is not more than the amount appropriated in part 1 for necessary expenses incurred in the licensing and regulation of millionaire parties under article 2 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.132 to 432.152. Any unused internet gaming fund revenues are subject to the distribution requirements in section 16 of the lawful internet gaming act, 2019 PA 152, MCL 432.316. Not later than March 1, the Michigan gaming control board shall submit a report to the standard report recipients that includes all of the following:

- (a) The total expenditures related to the licensing and regulating of millionaire parties.
- (b) The steps taken to ensure charities are receiving revenue due to them.
- (c) A description of the progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152.
- (d) Any enforcement actions taken.

ONE-TIME APPROPRIATIONS

Sec. 990. From the funds appropriated in part 1 for 12th district court security, the department of treasury shall support security upgrades for a district court in a city with a population between 31,000 and 32,000 and in a county with a population between 160,000 and 161,000 according to the most recent federal decennial census.

Sec. 991. From the funds appropriated in part 1 for 38th district court project, the department of treasury shall support the construction of a facility to house a district court and police department in a city with a population of between 34,000 and 35,000 and in a county with a population of between 881,000 and 882,000, according to the most recent federal decennial census.

Sec. 992. From the funds appropriated in part 1 for additional local prosecutor support, the department of treasury shall award a grant to an office of a county prosecutor in a county with a population between 109,000 and 110,000 according to the most recent federal decennial census for the purpose of reducing the average caseload per attorney in that office.

Sec. 993. (1) From the funds appropriated in part 1 for local prosecutor support grants, the department of treasury shall award grants to eligible offices of county prosecutors to reduce the average caseload per attorney. An office of a county prosecutor is eligible for a grant if the office meets all of the following requirements by October 31:

(a) The office receives the same amount of funding from the county for the fiscal year ending September 30, 2025 as the office received from the county in the immediately preceding fiscal year.

(b) The county is 1 of the 15 counties with the highest violent crime rate per 1,000 residents as determined for each county. The violent crime rate is calculated by first dividing the number described in subparagraph (i) by the number described in subparagraph (ii) and then multiplying the result by 1,000:

(i) The total violent crime incidents reported for the county according to the most recent annual crime report prepared by the department of state police that is available as of April 1 of the immediately preceding state fiscal year.

(ii) The total population of the county according to the most recent federal decennial census.

(c) The office of the county prosecutor must apply for a grant in a form and manner as determined by the department of treasury. The office of the county prosecutor must include with its application a proposed budget designating that grant proceeds will only support costs that reduce the average caseload per attorney.

(d) The office submits a report that includes, at a minimum, the current number of staff, average caseload per attorney, and local funding that supports the office of the county prosecutor.

(2) The amount of the grant to each office of a county prosecutor under subsection (1) is the greater of either of the following:

(a) The amount received under section 991 of article 5 of 2023 PA 119.

(b) Except as otherwise provided in subsection (3) or (4), an amount equal to the product of \$7.50 multiplied by the population of the county in which the office of the county prosecutor is located according to the most recent federal decennial census.

(3) If there is money remaining after grants are awarded under subsection (1), the remaining money must be distributed among the offices of county prosecutors that received a grant under subsection (1) on a per capita basis determined by the population of the county in which the office of the county prosecutor is located according to the most recent federal decennial census.

(4) If the total amount appropriated does not support the full grant amounts under subsection (2)(b), then the amount awarded to each county prosecutor that meets all of the requirements of subsection (1) shall be reduced on an equal per capita rate to the amount received under subsection (2)(b) that fully expends all of the appropriation in part 1.

(5) The department shall not use any of the funds appropriated under this section for administration.

(6) Not later than August 1, the department shall submit a report to the standard report recipients that includes all of the following:

(a) A list of all of the offices of a county prosecutor that received a grant under this section.

(b) The information required under subsection (1)(d).

(c) The amount awarded to each office described in subdivision (a), including either of the following, if applicable:

(i) The amount of any increase under subsection (3).

(ii) The amount of any reduction under subsection (4).

Sec. 994. (1) From the funds appropriated in part 1 for MiABLE outreach, the department of treasury shall support the efforts of the Michigan ABLE savings program established under section 3 of the Michigan achieving a better life experience (ABLE) program act, 2015 PA 160, MCL 206.983, to promote the availability of the Michigan ABLE savings program to residents of this state.

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

(a) The purpose of the project is to promote the Michigan ABLE savings program and educate residents of this state about the availability of the Michigan ABLE savings program.

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

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

(d) The tentative completion date is September 30, 2029.

Sec. 995. (1) The funds appropriated in part 1 for the secure retirement for small businesses that do not currently provide retirement options for private sector workers must not be spent or otherwise distributed unless House Bill No. 5461 of the 102nd Legislature is enacted into law. The funds must be used to implement House Bill No. 5461 of the 102nd Legislature.

(2) The department of treasury shall submit a report to the standard report recipients and the chairpersons of the senate and house of representatives standing committees on appropriations that includes, but is not limited to, the number of participating employers and participating employees in the program.

(3) The department of treasury shall develop guidelines and definitions for the implementation of this section that comply with House Bill No. 5461 of the 102nd Legislature.

(4) The department of treasury shall cooperate as necessary with the MDTMB, the MDIFS, and other departments and agencies to establish and implement oversight guidelines for benefit providers participating in the program. The oversight guidelines must include measures to investigate and provide corrective action against instances of discrimination, predatory practices, and fraud.

STATE BUILDING AUTHORITY

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and on the approval of the state building authority, the department of treasury may expend from the general fund of this state during the fiscal year an amount necessary to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by an appropriations PA that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued must bear an interest cost to the state building authority at a rate that is not greater than the rate earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of this state.

(2) On sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by an appropriations PA and in this section, the state building authority shall credit the general fund of this state an amount equal to the amount expended from the general fund plus interest, if any, as described in this section.

(3) For state building authority projects for which bonds or notes have been issued and on the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects. The state building authority shall reimburse the state treasurer for the advances when the investments earmarked for the financing of the projects mature.

(4) If a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design must be repaid to the general fund in a manner recommended by the director of the state building authority.

Sec. 1102. (1) The state building authority shall not release state building authority funding to a university or community college to finance the construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility unless the university or community college agrees to use that excess revenue to reimburse the state building authority. The excess revenue received by the state building authority as reimbursement must be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for the applicable facility. The auditor general shall annually identify and audit the facilities that are subject to this section. Costs associated with the administration of the audit must be charged against money received by the state building authority as reimbursement under this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 1103. (1) Not later than October 15, the state building authority shall submit a report to the standard report recipients and the JCOS regarding the status of construction projects associated with state building authority bonds as of the end of the immediately preceding fiscal year. Not later than 30 days after a refinancing or restructuring bond issue is sold, the state building authority shall submit a report to the standard report recipients and the JCOS regarding the status of construction projects associated with that bond issue. Each report must include all of the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

REVENUE STATEMENT

Sec. 1201. In accordance with section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS
(Amounts in millions)
Fiscal Year 2024-2025

	Beginning Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS			
General fund/general purpose	1,106.2	13,349.9	7.0
School aid fund	564.3	18,307.0	12.2
Federal aid	0.0	29,442.8	0.0
Transportation funds	0.0	8,395.3	0.0
Special revenue funds	3,305.0	9,265.1	2,929.3
Other funds	1,988.9	216.5	2,205.4
TOTALS	\$6,964.4	\$78,976.6	\$5,153.9

ARTICLE 6
DEPARTMENT OF HEALTH AND HUMAN SERVICES
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions		6.0
Full-time equated classified positions		15,935.5
Average population		798.0
GROSS APPROPRIATION		\$ 37,646,231,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		14,707,900
ADJUSTED GROSS APPROPRIATION		\$ 37,631,523,200
Federal revenues:		
Capped federal revenues		516,972,500
Social security act, temporary assistance for needy families		595,716,000
Total other federal revenues		25,531,489,100
Special revenue funds:		
Total local revenues		170,492,500
Total private revenues		177,599,600
Michigan merit award trust fund		58,768,700
Total other state restricted revenues		3,863,253,800
State general fund/general purpose		\$ 6,717,231,000
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions		6.0
Full-time equated classified positions		972.4
Unclassified salaries—FTEs	6.0\$	1,431,500
Administrative hearings officers		9,995,400
Child welfare institute—FTEs	55.0	9,552,100
Demonstration projects—FTEs	7.0	7,070,800
Departmental administration and management—FTEs	673.4	112,507,400
Legal services		100,000
Office of inspector general—FTEs	211.0	29,165,400
Property management		62,608,700
Terminal leave payments		7,091,300
Training and program support—FTEs	26.0	3,751,700
Worker's compensation		7,662,000
GROSS APPROPRIATION		\$ 250,936,300

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of lifelong education, advancement, and potential	\$	1,839,800
IDG from department of technology, management, and budget - office of retirement services		600
Federal revenues:		
Social security act, temporary assistance for needy families		27,456,600
Capped federal revenues		19,632,800
Total other federal revenues		77,298,300
Special revenue funds:		
Total local revenues		86,000
Total private revenues		3,846,900
Total other state restricted revenues		1,330,300
State general fund/general purpose	\$	119,445,000
Sec. 103. CHILD SUPPORT ENFORCEMENT		
Full-time equated classified positions	193.7	
Child support enforcement operations—FTEs	187.7\$	26,773,600
Child support incentive payments		24,409,600
Legal support contracts		132,600,300
State disbursement unit—FTEs	6.0	7,381,400
GROSS APPROPRIATION	\$	191,164,900
Appropriated from:		
Federal revenues:		
Capped federal revenues		16,273,100
Total other federal revenues		149,397,500
State general fund/general purpose	\$	25,494,300
Sec. 104. COMMUNITY SERVICES AND OUTREACH		
Full-time equated classified positions	56.0	
Bureau of community services and outreach—FTEs	24.0\$	3,569,800
Community services and outreach administration—FTEs	20.0	7,682,000
Community services block grant		25,840,000
Diaper assistance grant		6,404,400
Homeless programs—FTE	1.0	34,504,100
Housing and support services		13,031,000
Kids' food basket		525,000
Runaway and homeless youth grants		13,126,100
School success partnership program		1,525,000
Senior university		400,000
Weatherization assistance		21,860,300
Weatherization assistance IJA—FTEs	11.0	40,013,000
GROSS APPROPRIATION	\$	168,480,700
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		31,165,800
Capped federal revenues		98,063,300
Total other federal revenues		14,661,200
State general fund/general purpose	\$	24,590,400
Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
Full-time equated classified positions	4,117.2	
Adoption subsidies	\$	232,410,300
Adoption support services—FTEs	10.0	41,881,400
Attorney general contract		5,191,100
Child abuse and neglect - children's justice act—FTE	1.0	628,900

		For Fiscal Year Ending Sept. 30, 2025
Child care fund	\$	286,347,800
Child care fund - indirect cost allotment		3,500,000
Child protection		2,050,300
Child welfare administration travel		390,000
Child welfare field staff - noncaseload compliance—FTEs	353.0	42,404,300
Child welfare licensing—FTEs	59.0	7,570,100
Child welfare medical/psychiatric evaluations		9,428,500
Children's protective services - caseload staff—FTEs	1,615.0	176,060,700
Children's protective services supervisors—FTEs	387.0	49,359,000
Children's services administration—FTEs	218.2	28,681,400
Children's trust fund—FTEs	12.0	5,059,800
Contractual services, supplies, and materials		9,567,600
Court-appointed special advocates		2,250,000
Education planners—FTEs	15.0	1,990,000
Family preservation and prevention services administration—FTEs	9.0	1,422,400
Family preservation programs—FTEs	34.0	65,523,700
Foster care payments		329,761,500
Foster care services - caseload staff—FTEs	966.0	100,870,900
Foster care services supervisors—FTEs	227.0	31,894,700
Guardianship assistance program		12,666,700
Interstate compact		179,600
Peer coaches—FTEs	45.5	6,476,300
Performance-based funding implementation—FTEs	3.0	310,400
Permanency resource managers—FTEs	28.0	3,599,400
Prosecuting attorney contracts		8,142,800
Second line supervisors and technical staff—FTEs	126.0	20,335,200
Settlement monitor		2,709,800
Strong families/safe children		11,600,000
Title IV-E compliance and accountability office—FTEs	4.0	471,900
Youth in transition—FTEs	4.5	8,194,200
GROSS APPROPRIATION	\$	1,508,930,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of lifelong education, advancement, and potential		244,400
Federal revenues:		
Social security act, temporary assistance for needy families		293,979,300
Capped federal revenues		105,533,500
Total other federal revenues		275,053,700
Special revenue funds:		
Local funds - county chargeback		40,687,800
Private - collections		1,503,300
Children's trust fund		2,895,300
Total other state restricted revenues		3,615,800
State general fund/general purpose	\$	785,417,600
Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
Full-time equated classified positions	142.5	
Bay Pines Center—FTEs	58.0\$	7,584,600
Committee on juvenile justice administration—FTEs	2.5	368,200
Committee on juvenile justice grants		3,000,000
Community support services—FTEs	3.0	2,513,200
County juvenile officers		3,977,600
Juvenile justice, administration and maintenance—FTEs	21.0	5,503,600
Shawono Center—FTEs	58.0	7,588,100
GROSS APPROPRIATION	\$	30,535,300

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Federal revenues:		
Capped federal revenues	\$	7,709,300
Total other federal revenues		223,200
Special revenue funds:		
Local funds - state share education funds		1,374,400
Local funds - county chargeback		6,212,400
State general fund/general purpose	\$	15,016,000
Sec. 107. PUBLIC ASSISTANCE		
Full-time equated classified positions	1.0	
Emergency services local office allocations	\$	14,313,500
Family independence program		71,567,800
Family independence program - clothing allowance		10,000,000
Family independence program - child supplemental payment		23,240,100
Food assistance program benefits		4,018,370,000
Food Bank Council of Michigan		12,045,000
Indigent burial		4,369,100
Low-income home energy assistance program		174,951,600
Michigan energy assistance program—FTE	1.0	50,000,000
Prenatal and infant support program		20,000,000
Refugee assistance program		7,954,200
State disability assistance payments		5,476,200
State supplementation		53,522,600
State supplementation administration		1,806,100
GROSS APPROPRIATION	\$	4,467,616,200
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		122,078,800
Capped federal revenues		182,905,800
Total other federal revenues		4,013,660,000
Special revenue funds:		
Child support collections		8,751,200
Low-income energy assistance fund		50,000,000
Public assistance recoupment revenue		4,600,500
Supplemental security income recoveries		1,434,000
State general fund/general purpose	\$	84,185,900
Sec. 108. LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES		
Full-time equated classified positions	5,758.5	
Administrative support workers—FTEs	167.0\$	14,934,500
Adult services local office staff—FTEs	550.0	68,661,300
Contractual services, supplies, and materials		31,051,000
Donated funds positions—FTEs	237.0	29,274,400
Elder Law of Michigan MiCAFE contract		450,000
Electronic benefit transfer (EBT)		9,714,000
Employment and training support services		4,219,100
Food assistance reinvestment—FTEs	16.0	3,775,100
Local office policy and administration—FTEs	125.0	20,565,600
Local office staff travel		8,252,400
Medical/psychiatric evaluations		1,120,100
Nutrition education—FTEs	2.0	33,040,900
Pathways to potential—FTEs	231.0	26,143,300
Public assistance local office staff—FTEs	4,430.5	501,434,500
SSI advocacy legal services grant		975,000
GROSS APPROPRIATION	\$	753,611,200

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections	\$	120,200
IDG from department of lifelong education, advancement, and potential		8,315,800
Federal revenues:		
Social security act, temporary assistance for needy families		73,233,900
Capped federal revenues		55,328,300
Total other federal revenues		286,552,800
Special revenue funds:		
Local funds - donated funds		4,378,900
Private funds - donated funds		9,969,200
Private revenues		250,000
State general fund/general purpose	\$	315,462,100
Sec. 109. DISABILITY DETERMINATION SERVICES		
Full-time equated classified positions	628.4	
Disability determination operations—FTEs	624.3\$	125,947,100
Retirement disability determination—FTEs	4.1	643,300
GROSS APPROPRIATION	\$	126,590,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of technology, management, and budget - office of retirement services		819,900
IDG from department of lifelong education, advancement, and potential		16,000
Federal revenues:		
Total other federal revenues		121,909,300
Total private revenues		900
Total other state restricted revenues		5,300
State general fund/general purpose	\$	3,839,000
Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
Full-time equated classified positions	90.0	
Behavioral health program administration—FTEs	50.0\$	61,118,500
Community substance use disorder prevention, education, and treatment—FTEs	9.0	79,626,200
Family support subsidy		15,670,900
Federal and other special projects		2,535,600
Gambling addiction—FTEs	4.0	9,521,300
Mental health diversion council		3,850,000
Michigan clinical consultation and care		5,289,000
Office of recipient rights—FTEs	25.0	3,502,800
Opioid response activities—FTEs	2.0	90,359,700
Protection and advocacy services support		194,400
GROSS APPROPRIATION	\$	271,668,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		15,670,900
Total other federal revenues		170,894,300
Special revenue funds:		
Total private revenues		2,904,700
Total other state restricted revenues		35,007,800
State general fund/general purpose	\$	47,190,700
Sec. 111. BEHAVIORAL HEALTH SERVICES		
Full-time equated classified positions	15.0	
Autism services	\$	329,620,000

		For Fiscal Year Ending Sept. 30, 2025
Behavioral health community supports and services—FTEs	11.0\$	44,977,700
Certified community behavioral health clinic demonstration		525,913,900
Civil service charges		297,500
Community mental health non-Medicaid services		125,578,200
Federal mental health block grant—FTEs	4.0	24,471,700
Health homes		53,418,500
Healthy Michigan plan - behavioral health		527,784,600
Medicaid mental health services		3,387,066,600
Medicaid substance use disorder services		95,650,100
Multicultural integration funding		17,284,900
Nursing home PAS/ARR-OBRA		15,213,600
State disability assistance program substance use disorder services		2,018,800
GROSS APPROPRIATION	\$	5,149,296,100
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		421,000
Capped federal revenues		184,500
Total other federal revenues		3,493,226,700
Special revenue funds:		
Total local revenues		10,190,500
Total other state restricted revenues		84,811,900
State general fund/general purpose	\$	1,560,461,500

**Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC
MENTAL HEALTH SERVICES**

Full-time equated classified positions	2,546.6	
Average population	798.0	
Caro Regional Mental Health Center - psychiatric hospital - adult—FTEs	530.7\$	61,299,100
Average population	145.0	
Center for forensic psychiatry—FTEs	624.5	102,649,400
Average population	240.0	
Developmental disabilities council and projects—FTEs	10.0	3,196,800
Gifts and bequests for patient living and treatment environment		1,000,000
IDEA, federal special education		120,000
Kalamazoo Psychiatric Hospital - adult—FTEs	561.2	72,573,300
Average population	170.0	
Purchase of medical services for residents of hospitals and centers		445,600
Revenue recapture		750,100
Special maintenance		924,600
State hospital administration—FTEs	34.0	5,735,000
Walter P. Reuther Psychiatric Hospital - adult, children, and adolescents—FTEs	786.2	123,069,900
Average population	243.0	
GROSS APPROPRIATION	\$	371,763,800
Appropriated from:		
Federal revenues:		
Total other federal revenues		46,642,000
Special revenue funds:		
Total local revenues		23,283,200
Total private revenues		1,000,000
Total other state restricted revenues		15,189,200
State general fund/general purpose	\$	285,649,400

Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES

Full-time equated classified positions	74.3	
Cellular therapy for Versiti Michigan	\$	750,000

		For Fiscal Year Ending Sept. 30, 2025
Certificate of need program administration—FTEs	11.3\$	2,744,600
Child advocacy centers		1,407,000
Child advocacy centers - supplemental grants		2,000,000
Community health programs		17,500,000
Crime victim grants administration services—FTEs	17.0	3,092,300
Crime victim justice assistance grants		78,579,300
Crime victim rights services grants		19,869,900
Crime victim rights sustaining grants		30,000,000
Domestic violence prevention and treatment—FTEs	15.6	19,383,500
Human trafficking intervention services—FTE	1.0	200,000
Michigan essential health provider		3,519,600
Minority health grants and contracts—FTEs	3.0	1,159,700
Nurse education and research program—FTEs	3.0	823,600
Policy and planning administration—FTEs	19.9	2,768,500
Primary care services—FTEs	3.0	3,809,200
Rape prevention and services—FTEs	0.5	7,097,300
Rural health services		175,000
Uniform statewide sexual assault evidence kit tracking system		369,500
GROSS APPROPRIATION	\$	195,249,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of lifelong education, advancement, and potential		2,400
IDG from department of licensing and regulatory affairs		823,600
IDG from department of treasury, Michigan finance authority		117,700
Federal revenues:		
Social security act, temporary assistance for needy families		6,736,000
Capped federal revenues		10,704,100
Total other federal revenues		86,260,100
Special revenue funds:		
Total private revenues		865,000
Child advocacy centers fund		1,407,000
Compulsive gaming prevention fund		1,040,500
Crime victims rights fund		18,784,900
Sexual assault victims' prevention and treatment fund		3,000,000
Total other state restricted revenues		3,309,500
State general fund/general purpose	\$	62,198,200

**Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES,
AND LABORATORY**

Full-time equated classified positions	449.9	
Bioterrorism preparedness—FTEs	53.0\$	31,009,800
Childhood lead program—FTEs	4.5	2,342,900
Emergency medical services program—FTEs	27.0	9,030,000
Epidemiology administration—FTEs	73.5	26,350,100
Healthy homes program—FTEs	66.0	56,569,600
Laboratory services—FTEs	102.0	31,002,000
Newborn screening follow-up and treatment services—FTEs	10.5	9,837,500
PFAS and environmental contamination response—FTEs	43.0	19,530,400
Vital records and health statistics—FTEs	70.4	11,573,100
GROSS APPROPRIATION	\$	197,245,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of environment, Great Lakes, and energy		1,797,800
Federal revenues:		
Capped federal revenues		81,100
Total other federal revenues		77,506,000

	For Fiscal Year Ending Sept. 30, 2025	
Special revenue funds:		
Total private revenues	\$	1,342,600
Total other state restricted revenues		32,478,400
State general fund/general purpose	\$	84,039,500
Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
Full-time equated classified positions	190.1	
AIDS prevention, testing, and care programs—FTEs	79.5\$	110,825,500
Cancer prevention and control program—FTEs	18.0	15,911,400
Chronic disease control and health promotion administration—FTEs	28.4	10,429,400
Diabetes and kidney program—FTEs	8.0	4,198,800
Essential local public health services		76,419,300
Implementation of 1993 PA 133, MCL 333.17015		20,000
Local health services—FTEs	3.3	8,724,200
Medicaid outreach cost reimbursement to local health departments		12,500,000
Public health administration—FTEs	9.0	2,289,200
Sexually transmitted disease control program—FTEs	20.0	8,555,700
Smoking prevention program—FTEs	15.0	7,164,700
Violence prevention—FTEs	8.9	14,062,100
GROSS APPROPRIATION	\$	271,100,300
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		2,300
Total other federal revenues		90,556,700
Special revenue funds:		
Total local revenues		5,150,000
Total private revenues		74,556,600
Total other state restricted revenues		11,925,200
State general fund/general purpose	\$	88,909,500
Sec. 116. FAMILY HEALTH SERVICES		
Full-time equated classified positions	136.1	
Child and adolescent health care and centers	\$	41,242,700
Dental programs—FTEs	5.3	7,546,800
Drinking water declaration of emergency		4,271,000
Family, maternal, and child health administration—FTEs	49.0	10,337,300
Family planning local agreements		15,810,700
Immunization program—FTEs	20.8	20,696,600
Local MCH services		7,018,100
Pregnancy prevention program		1,297,900
Prenatal care outreach and service delivery support—FTEs	19.0	43,400,800
Special projects		6,789,100
Sudden and unexpected infant death and suffocation prevention program		321,300
Women, infants, and children program administration and special projects—FTEs	42.0	19,673,900
Women, infants, and children program local agreements and food costs		251,285,000
GROSS APPROPRIATION	\$	429,691,200
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		500,000
Total other federal revenues		268,760,500
Special revenue funds:		
Total local revenues		42,817,700
Total private revenues		64,785,700
Total other state restricted revenues		4,049,500
State general fund/general purpose	\$	48,777,800

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2025

Sec. 117. CHILDREN'S SPECIAL HEALTH CARE SERVICES

Full-time equated classified positions	51.8	
Bequests for care and services—FTEs	9.8\$	2,087,100
Children's special health care services administration—FTEs	42.0	8,743,800
Medical care and treatment		297,950,200
Outreach and advocacy		6,722,200
GROSS APPROPRIATION	\$	315,503,300
Appropriated from:		
Federal revenues:		
Total other federal revenues		160,483,500
Special revenue funds:		
Total private revenues		1,033,900
Total other state restricted revenues		4,433,300
State general fund/general purpose	\$	149,552,600

Sec. 118. AGING SERVICES

Community services	\$	61,047,200
Employment assistance		3,500,000
Nutrition services		50,004,200
Respite care program		7,268,700
Senior volunteer service programs		4,765,300
GROSS APPROPRIATION	\$	126,585,400
Appropriated from:		
Federal revenues:		
Total other federal revenues		68,009,000
Special revenue funds:		
Total private revenues		300,000
Michigan merit award trust fund		4,068,700
Total other state restricted revenues		2,800,000
State general fund/general purpose	\$	51,407,700

Sec. 119. HEALTH AND AGING SERVICES ADMINISTRATION

Full-time equated classified positions	501.0	
Aging services administration—FTEs	43.0\$	9,629,400
Health services administration—FTEs	458.0	128,854,100
GROSS APPROPRIATION	\$	138,483,500
Appropriated from:		
Federal revenues:		
Total other federal revenues		90,420,600
Special revenue funds:		
Total local revenues		37,700
Total private revenues		1,721,300
Total other state restricted revenues		336,300
State general fund/general purpose	\$	45,967,600

Sec. 120. HEALTH SERVICES

Adult home help services	\$	593,454,500
Ambulance services		24,765,400
Auxiliary medical services		5,996,500
Dental clinic program		1,000,000
Dental services		297,080,100
Federal Medicare pharmaceutical program		385,256,300
Federally qualified health centers		210,000,000
Health plan services		7,762,291,300
Healthy Michigan plan		6,120,410,300
Home health services		5,071,900

	For Fiscal Year Ending Sept. 30, 2025
Hospice services	\$ 187,510,200
Hospital services and therapy	636,763,400
Integrated care organizations	427,359,300
Long-term care services	2,434,890,200
Maternal and child health	28,616,500
Medicaid home- and community-based services waiver	500,319,100
Medicaid orthodontic benefit	4,301,700
Medicare premium payments	885,379,200
Personal care services	5,887,400
Pharmaceutical services	358,091,100
Physician services	234,032,800
Plan first	2,320,700
Program of all-inclusive care for the elderly	270,385,800
Recuperative care	297,300
School-based services	212,038,800
Special Medicaid reimbursement	334,475,800
Transportation	25,287,100
GROSS APPROPRIATION	\$ 21,953,282,700
Appropriated from:	
Federal revenues:	
Total other federal revenues	15,688,619,500
Special revenue funds:	
Total local revenues	36,267,200
Total private revenues	8,269,500
Michigan merit award trust fund	54,700,000
Total other state restricted revenues	3,545,037,500
State general fund/general purpose	\$ 2,620,389,000
Sec. 121. INFORMATION TECHNOLOGY	
Full-time equated classified positions	11.0
Bridges information system—FTEs	10.0\$ 114,678,900
Child support automation	44,243,200
Comprehensive child welfare information system	8,274,700
Information technology services and projects	241,607,200
Michigan Medicaid information system—FTE	1.0 102,482,000
Michigan statewide automated child welfare information system	21,555,400
GROSS APPROPRIATION	\$ 532,841,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of lifelong education, advancement, and potential	609,700
Federal revenues:	
Social security act, temporary assistance for needy families	24,471,400
Capped federal revenues	20,556,700
Total other federal revenues	335,999,300
Special revenue funds:	
Total local revenues	6,700
Total private revenues	5,250,000
Total other state restricted revenues	2,010,400
State general fund/general purpose	\$ 143,937,200
Sec. 122. ONE-TIME APPROPRIATIONS	
Addiction workforce medicine curriculum	\$ 1,500,000
Adult home help care supports	10,000,000
ALS services	745,100
Behavioral health care services and facilities	1,000,000

	For Fiscal Year Ending Sept. 30, 2025
Behavioral health initiative	\$ 1,000,000
Behavioral health prevention and treatment pilot project	3,000,000
Behavioral health services	3,500,000
Behavioral health urgent care	1,700,000
Certified community behavioral health clinics study	250,000
Child advocacy centers	2,000,000
Children’s campus renovation	2,000,000
Community impact center	2,500,000
Community information exchange	1,000,000
Community mental health data platform	500,000
Community opportunity hub	1,000,000
Complex medical condition center	500,000
Cranial hair prothesis	125,000
Critical access hospital facility and equipment	2,000,000
Disability and independent living program	250,000
Doula training and continuing education	2,909,800
Emergency medical services program	500,000
Family planning local agreements	5,600,000
Firearm injury and violence prevention	5,500,000
Firearm safety and violence prevention	1,800,000
Firefighter health care	3,500,000
First responder and public safety staff mental health	2,500,000
Fitness and wellness programming	1,200,000
Health equity statewide curriculum	500,000
Healthy communities grant	2,000,000
Homeless shelter operations	400,000
Hospice caregiver support center	1,000,000
Hospital services and therapy	9,200,000
Housing and childcare project	2,198,000
Juvenile justice infrastructure pool	5,000,000
Juvenile justice reform	5,000,000
Kinship and the bridge	1,000,000
Local food infrastructure grant	3,000,000
Maternal-fetal medicine programming	3,000,000
Maternal health services	7,920,000
Medicaid outreach	500,000
Medicaid rate comparison study	250,000
Medical center robotic surgery	2,000,000
Medically underserved area services	700,000
Mental health services and community outreach	1,500,000
Michigan crisis and access line	2,200,000
Mobile outreach clinic	700,000
Modified implementation sustainability and exit plan	10,000,000
Multicultural integration funding	8,600,000
Native American health services	3,500,000
Nonprofit mental health clinic	100,000
Nurse incentive program	9,165,000
Nurse workforce development	4,000,000
Opioid response activities	25,000,000
Patient-centered medical home	1,000,000
Prewriteatherization services	5,000,000
Substance use treatment center	2,000,000
Suicide loss survivor program	250,000

	For Fiscal Year Ending Sept. 30, 2025
Supportive home visitation	\$ 500,000
Trauma recovery center pilot program	4,000,000
Tribal homeless shelter operations	500,000
Underserved healthcare facility project	3,500,000
Walk-in crisis center relocation	2,392,000
Water affordability	10,000,000
GROSS APPROPRIATION	\$ 195,654,900
Appropriated from:	
Federal revenues:	
Total other federal revenues	15,354,900
Special revenue funds:	
Michigan opioid healing and recovery fund	25,000,000
State general fund/general purpose	\$ 155,300,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the current fiscal year, total state spending under part 1 from state sources is \$10,639,253,500.00 and state spending under part 1 from state sources to be paid to local units of government is \$2,032,618,200.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES	
CHILD SUPPORT ENFORCEMENT	
Child support incentive payments	\$ 9,570,000
Legal support contracts	1,300
COMMUNITY SERVICES AND OUTREACH	
Community services and outreach administration	3,100
Homeless programs	9,900
Housing and support services	124,700
CHILDREN'S SERVICES AGENCY – CHILD WELFARE	
Child care fund	151,764,300
Child care fund - indirect cost allotment	3,500,000
Child welfare licensing	68,300
Children's trust fund	60,800
Contractual services, supplies, and materials	10,500
Family preservation programs	2,000
Foster care payments	3,344,200
Prosecuting attorney contracts	1,269,100
Strong families/safe children	65,400
CHILDREN'S SERVICES AGENCY – JUVENILE JUSTICE	
Bay Pines Center	49,700
Community support services	333,500
County juvenile officers	73,300
Shawono Center	2,000
PUBLIC ASSISTANCE	
Emergency services local office allocations	2,200,000
Indigent burial	4,800
Michigan energy assistance program	200,000
State disability assistance payments	174,200
LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES	
Contractual services, supplies, and materials	91,700
Employment and training support services	6,200
DISABILITY DETERMINATION SERVICES	
Disability determination operations	2,000

For Fiscal Year
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BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
Behavioral health program administration	\$ 121,700
Community substance use disorder prevention, education, and treatment	8,783,500
Gambling addiction	1,333,700
Mental health diversion council	255,100
Opioid response activities	1,770,500
BEHAVIORAL HEALTH SERVICES	
Autism services	106,220,500
Behavioral health community supports and services	171,800
Certified community behavioral health clinic demonstration	115,701,100
Community mental health non-Medicaid services	125,578,200
Health homes	4,725,900
Healthy Michigan plan - behavioral health	52,778,500
Medicaid mental health services	1,117,732,000
Medicaid substance use disorder services	33,477,500
Multicultural integration funding	1,064,400
Nursing home PAS/ARR-OBRA	4,476,100
State disability assistance program substance use disorder services	1,807,300
STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES	
Caro Regional Mental Health Center - psychiatric hospital – adult	183,600
Center for forensic psychiatry	674,000
Kalamazoo Psychiatric Hospital - adult	66,200
Walter P. Reuther Psychiatric Hospital – adult, children, and adolescents	109,900
HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
Crime victim rights services grants	11,593,000
Domestic violence prevention and treatment	163,000
Primary care services	79,800
EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY	
Emergency medical services program	4,800
Epidemiology administration	448,700
Healthy homes program	1,301,700
PFAS and environmental contamination response	200
LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
AIDS prevention, testing, and care programs	2,705,800
Cancer prevention and control program	43,600
Essential local public health services	71,269,300
Local health services	1,928,900
Public health administration	200
Sexually transmitted disease control program	775,400
Smoking prevention program	242,100
FAMILY HEALTH SERVICES	
Dental programs	25,000
Drinking water declaration of emergency	136,500
Family planning local agreements	224,000
Immunization program	2,155,600
Pregnancy prevention program	65,000
Prenatal care outreach and service delivery support	8,806,900
CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	796,700
Outreach and advocacy	2,708,200

	For Fiscal Year Ending Sept. 30, 2025
AGING SERVICES	
Community services	\$ 33,526,500
Nutrition services	12,849,100
Respite care program	5,800,000
Senior volunteer service programs	954,100
HEALTH AND AGING SERVICES ADMINISTRATION	
Aging services administration	200,200
HEALTH SERVICES	
Adult home help services	81,900
Ambulance services	840,600
Dental services	787,000
Healthy Michigan plan	896,700
Hospital services and therapy	400,000
Long-term care services	88,061,900
Medicaid home- and community-based services waiver	14,314,200
Personal care services	17,600
Physician services	2,854,200
Transportation	597,300
ONE-TIME APPROPRIATIONS	
Opioid response activities	10,000,000
Water affordability	5,000,000
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 2,032,618,200

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

- Sec. 203. As used in this part and part 1:
- (a) “AIDS” means acquired immunodeficiency syndrome.
 - (b) “CCBHC” means certified community behavioral health clinic.
 - (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) “CMS” means the Centers for Medicare and Medicaid Services.
 - (e) “CPT” means current procedural terminology.
 - (f) “Current fiscal year” means the fiscal year ending September 30, 2025.
 - (g) “Department” means the department of health and human services.
 - (h) “Director” means the director of the department.
 - (i) “EPSDT” means early and periodic screening, diagnosis, and treatment.
 - (j) “Federal poverty level” means the poverty guidelines revised periodically and published in the Federal Register by the Secretary of the United States Department of Health and Human Services under the Secretary’s authority to revise the poverty line under 42 USC 9902.
 - (k) “FQHC” means federally qualified health center.
 - (l) “FTE” means full-time equated.
 - (m) “GME” means graduate medical education.
 - (n) “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.
 - (o) “HEDIS” means health care effectiveness data and information set.
 - (p) “HMO” means health maintenance organization.
 - (q) “IDEA” means the individuals with disabilities education act, 20 USC 1400 to 1482.
 - (r) “IDG” means interdepartmental grant.
 - (s) “MCH” means maternal and child health.
 - (t) “Medicaid” means subchapter XIX of the social security act, 42 USC 1396 to 1396w-7.
 - (u) “Medicare” means subchapter XVIII of the social security act, 42 USC 1395 to 1395lll.
 - (v) “MiCAFE” means Michigan’s coordinated access to food for the elderly.
 - (w) “MICHild” means the program described in section 1670 of this part.
 - (x) “MiSACWIS” means Michigan statewide automated child welfare information system.
 - (y) “PACE” means program of all-inclusive care for the elderly.

(z) “PAS/ARR-OBRA” 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, 42 USC 1396r.

(aa) “PATH” means Partnership. Accountability. Training. Hope.

(bb) “PFAS” means perfluoroalkyl and polyfluoroalkyl substances.

(cc) “PIHP” means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.

(dd) “Previous fiscal year” means the fiscal year ending September 30, 2024.

(ee) “Quarterly basis” means February 1, April 1, July 1, and September 30 of the current fiscal year.

(ff) “Semiannual basis” means March 1 and September 30 of the current fiscal year.

(gg) “Settlement” means the settlement agreement entered in the case of *Dwayne B. v Snyder*, Docket No. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.

(hh) “SSI” means supplemental security income.

(ii) “Standard report recipients” means the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house of representatives policy offices, and the state budget office.

(jj) “Temporary assistance for needy families” or “TANF” or “title IV-A” means part A of subchapter IV of the social security act, 42 USC 601 to 619.

(kk) “Title IV-B” means part B of title IV of the social security act, 42 USC 621 to 629m.

(ll) “Title IV-D” means part D of title IV of the social security act, 42 USC 651 to 669b.

(mm) “Title IV-E” means part E of title IV of the social security act, 42 USC 670 to 679c.

(nn) “Title X” means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

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

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

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

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

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

Sec. 206. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, “geographically-disadvantaged business enterprises” means that term as defined in Executive Directive No. 2023-1.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside services that the attorney general authorizes.

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

Sec. 210. (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 authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Federal contingency authorization must not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$30,000,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$45,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house of representatives appropriations committees.

Sec. 215. If either of the following events occurs, not later than 30 days after the event occurs, the department shall notify the standard report recipients of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal law.

(b) A federal grant for which a notice of an award has been received cannot be used or will not be used.

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 fund sources in part 1 is not limited to collections and accruals pertaining to services provided in the current fiscal year and includes reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 217. Not later than February 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the detailed names and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 for the previous fiscal year. The report must itemize, rather than aggregate, specific revenue sources deposited into the generic statewide integrated governmental management application (SIGMA) fund numbers 1200, 1274, 4000, and 5000.

Sec. 218. As required under part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1 must include the following:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted infection control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborn infants 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) Health and human services annex of the Michigan Emergency Management Plan.

(h) Prenatal care.

(i) Mental health.

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 Michigan Public Health Institute to carry out the activities described in this subsection for up to a 1-year period.

(2) On a semiannual basis, the department shall submit, to the standard report recipients, a report that includes 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.

(3) On a semiannual basis, the department shall provide, to the standard report recipients, a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that the organizations are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of the organizations or the guiding principles or statements of faith for the organizations.

Sec. 221. In accordance with section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 222. (1) Not later than 30 days before the implementation date of a major policy change, the department shall report the change to the standard report recipients.

(2) The department shall make the department's entire policy and procedures manual available and accessible to the public on the department's website.

(3) Not later than April 1 of the current fiscal year, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, the senate and house of representatives appropriations committees, and to the joint committee on administrative rules.

(4) The department shall attach each policy bulletin issued during the previous calendar year to the report under subsection (3).

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and must be used to offset expenditures for publication printing and mailing, costs of the publications, videos and related materials, conferences, and workshops. The department shall not collect fees under this section that exceed the cost of the expenditures. If collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, not later than 30 days after the collected fee appropriation, the department shall notify the standard report recipients of that fact.

Sec. 224. The department may retain all of this state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections must be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of the investigation and recoupment costs must be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 226. 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 must be used as the first source of funds in the subsequent fiscal year.

Sec. 227. If the department receives tobacco tax funds and Healthy Michigan fund revenue from part 1, not later than April 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on both of the following activities during the previous fiscal year:

- (a) Tobacco tax revenue appropriations in the Medicaid program.
- (b) Information for each project implemented with revenue under this section, including all of the following:
 - (i) The project's name.
 - (ii) The appropriation line item and amount.
 - (iii) The project's target population.
 - (iv) A description of the project.
 - (v) The outcomes or accomplishments of the project.

Sec. 228. If the department is authorized under federal law or the law of this state to collect an overpayment owed to the department, beginning 60 days after the initial notification date of the overpayment amount, the department may assess a penalty of 1% per month. If an overpayment is caused by department error, a penalty may be assessed 6 months after the initial notification date of the overpayment amount. The department shall not collect penalty interest in an amount that exceeds the amount of the original overpayment. This state's share of any funds collected under this section must be deposited in the general fund of this state.

Sec. 230. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases in the current fiscal year from the previous fiscal year. The report must confirm the implementation of already-implemented funding increases and provide an explanation for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the report must include an expected implementation date and the reason for delayed implementation.

Sec. 231. (1) The department shall not expend the funds appropriated in part 1 to enter into any contract with a Medicaid managed care organization of MI Choice Waiver, MI Health Link, or behavioral health unless the Medicaid managed care organization agrees to do all of the following:

(a) Continue the direct care wage increase funded at \$3.20 per hour and provide sufficient funding to increase the wages paid to direct care workers by \$0.20 per hour more than the previous fiscal year for the services noted in the department's Medicaid provider letter L 21-76 under the Medicaid managed care organization's relevant program.

(b) Ensure, to the greatest extent possible, that the full amount of funds appropriated for direct care worker wages, except for costs incurred by the employer, including payroll taxes, is provided to direct care workers through maintained increased wages.

(c) Permit a direct care worker to elect, in writing or electronically, to not receive the wage increase provided in this section.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients that includes the following information by program and provider type for the previous fiscal year:

(a) Hours of service that qualified for the direct care worker wage increase.

(b) The aggregate increase in wages attributable to the funding appropriated in part 1.

(c) A comparison of the projected increase included in the capitation rates and the reported amount expended on the wage increase.

Sec. 232. The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house of representatives appropriations subcommittees on the department budget and the senate and house fiscal agencies not later than 60 days after approval by the department or not later than January 15 of the current fiscal year, whichever is earlier. In all places that a line-item appropriation number is listed, a line-item appropriation name must be included. The spending plan must include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan must include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private, or federal. Figures included in the approved spending plan must not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall include the name of the line item and the name of the fund source for each contract, grant, and amount for the current fiscal year. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year and include the name of the line item and the name of the fund source related to each expenditure and amount.

Sec. 234. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 235. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 239. For behavioral and physical health services provided through managed care or the fee-for-service program, the department shall require, for the nonfacility component of the reimbursement rate, at least the same reimbursement for that service, if that service is provided through telemedicine, as if the service involved face-to-face contact between the health care professional and the patient.

Sec. 240. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 241. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on total actual expenditures in the previous fiscal year for advertising and media outreach, including the purpose, amount, and fund source by program or appropriation line item.

Sec. 242. Not later than March 1 of the current fiscal year, the department shall submit a description of programs report to the standard report recipients. For each program, the report must include the appropriation unit; the line item name and number; the appropriation history; the program name; the program overview; a financing summary; and, where applicable, the program's legal basis, effectiveness, and outcomes.

Sec. 244. On a monthly basis, the department shall submit, to the standard report recipients, a report on any line-item appropriation for which the department estimates total annual expenditures would exceed the funds appropriated for the line-item appropriation by 5% or more. The department shall provide a detailed explanation for any relevant line-item appropriation exceedance and identify the corrective actions undertaken to mitigate line-item appropriation expenditures from exceeding the funds appropriated for the line-item appropriation by a greater amount. This section does not apply for line-item appropriations that are part of the May revenue estimating conference caseload and expenditure estimates.

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification

from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 253. (1) The department shall ensure that each federally recognized tribe is able to apply and compete for services, programs, grants, and contracts.

(2) For competitive grant programs described in this part, each federally recognized tribe is eligible to apply for grant funds made available to organizations exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and to local units of government.

Sec. 263. (1) Except as provided in this subsection, before submission of a waiver, state plan amendment, or similar proposal to CMS or another federal agency, the department shall notify the standard report recipients of the planned submission. This subsection does not apply to the submission of a waiver, state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of a waiver, state plan amendment, or similar proposal.

(2) On a semiannual basis, the department shall submit, to the standard report recipients, a report that summarizes the status of any new or ongoing discussions with CMS, the United States Department of Health and Human Services, or another federal agency regarding any potential or future waiver applications and the status of any submitted waivers that have not yet received federal approval. If there is not a reportable item at the time that a semiannual report is due, a report is not required.

Sec. 264. The department shall not take disciplinary action against an employee of the department for communicating with a member of the senate or house of representatives or a member's staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered under section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106. If applicable, not later than February 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report that includes, but is not limited to, 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. 274. On the day that is 1 week after the day that the governor submits the executive budget proposal for the ensuing fiscal year to the legislature, the department, in collaboration with the state budget office, shall submit, to the standard report recipients, a report on spending and revenue projections for each of the capped federal funds listed in this subsection. The report must contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections in the executive budget proposal for the immediately ensuing fiscal year for each individual line item for the department budget. The report must also include federal funds transferred to other departments. The capped federal funds include, but are not limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

(c) Title IV-B subpart I child welfare services block grant.

(d) Title IV-B subpart II promoting safe and stable families funds.

(e) Low-income home energy assistance program.

Sec. 275. (1) On a quarterly basis, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and capped federal financing authorizations to maximize federal revenues. The realignment of financing must not produce any of the following:

(a) A gross increase or decrease in the department's total individual line item authorizations.

(b) A net increase or decrease in total federal revenues.

(c) A net increase in TANF authorization.

(2) On a quarterly basis, the department shall submit, to the standard report recipients, a report on the realignment of federal fund sources transacted to date in the current fiscal year under subsection (1), including the dates, line items, and amounts of the transactions. If, at the time a quarterly report is due, a transaction was not made under subsection (1), a report is not required.

(3) Not later than 30 days after the date on which year-end book closing is completed, the department shall submit, to the standard report recipients, a report on the realignment of federal fund sources that took place as part of the year-end closing process for the previous fiscal year.

Sec. 290. Any public advertisement for public assistance must inform the public of the welfare fraud hotline operated by the department.

Sec. 295. Not later than April 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on funds appropriated for the healthy moms, healthy babies initiative. The report must include the budgeted amount, year-to-date expenditures, remaining balance of appropriations, and the percent of budget spent for each appropriation related to the initiative. The report must also include information on how the funds have assisted with meeting the goals and outcomes of the initiative.

Sec. 296. From the funds appropriated in part 1, the department, to the extent permissible under section 8 of 1964 PA 170, MCL 691.1408, is responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the employees in any state or federal lawsuit or investigation related to the water system in a city or community in which a declaration of emergency was issued because of drinking water contamination.

Sec. 297. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house of representatives appropriations committees and to the standard report recipients.

Sec. 298. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. From the funds appropriated in part 1 for child welfare institute, the department shall train private child placing agency staff in the pre-service training requirements for child welfare caseworkers and supervisors. Private child placing agency staff must be provided an opportunity to complete the training in a virtual format at the staff's private child placing agency facility. If a private child placing agency prefers a hybrid training format that includes virtual and in-person instruction, the training must be available to the private child placing agency staff.

CHILD SUPPORT ENFORCEMENT

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 must be retained by this state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 must be paid to counties based on each county's performance level for each of the performance measures under 45 CFR 305.2.

(4) If the child support incentive payment to this state from the federal government is greater than \$26,500,000.00, then 100% of the amount in excess must be retained by this state and is appropriated until the total retained by this state reaches \$15,397,400.00.

(5) If the child support incentive payment to this state from the federal government is greater than the amount needed to satisfy subsections (1), (2), (3), and (4), the additional funds are subject to appropriation by the legislature.

(6) If the child support incentive payment to this state from the federal government is less than \$26,500,000.00, then the state share and the county share must each be reduced by 50% of the shortfall.

Sec. 409. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. The excess appropriation may be distributed to eligible counties to supplement, but not supplant, county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess appropriation.

Sec. 410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. The adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with 45 CFR 304.50.

(2) Not later than 30 days after an adjustment under subsection (1), the department shall notify the standard report recipients of the adjustment.

COMMUNITY SERVICES AND OUTREACH

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, not later than December 1 of the current fiscal year, the department shall allocate \$1,525,000.00 of TANF revenue to support Northeast Michigan Community Service Agency programming. The department shall require the Northeast Michigan Community Service Agency to measure and report the following performance objectives for the duration of the state funding for the school success partnership program:

(a) Increasing school attendance and decreasing chronic absenteeism.

(b) Increasing grade-based academic performance, with emphasis on math and reading.

(c) Identifying barriers to attendance and success and connecting families with resources to reduce the barriers.

(d) Increasing parent involvement.

(2) Not later than July 15 of the current fiscal year, the Northeast Michigan Community Service Agency shall submit a report to the department on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. Not later than 1 week after the department receives the report, the department shall distribute the report to the standard report recipients.

Sec. 453. (1) From the funds appropriated in part 1 for homeless programs, the department shall allocate funds to the emergency shelter program to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. The funds must be equal to or exceed the amount that a provider would receive if the provider is paid a \$19.00 per diem rate. Expected outcomes are increased shelter discharges to stable housing destinations, decreased recidivism rates for shelter clients, and a reduction in the average length of stay in emergency shelters.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the total amount expended for the emergency shelter program in the prior 2 fiscal years, the total number of shelter nights provided, and the average length of stay in an emergency shelter.

Sec. 454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 455. As a condition of receipt of federal TANF revenue, after admitting a family to a homeless shelter, the homeless shelter and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on the family as soon as possible. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF revenue only to the homeless shelters and human services agencies that report necessary data to the department to meet TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department to meet TANF eligibility reporting requirements shall not receive reimbursements that exceed the per diem amount the homeless shelters or human service agencies received in fiscal year 2000. The use of TANF revenue under this section is not an ongoing commitment of funding.

Sec. 456. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$10,000.00 to reimburse public service agencies that provide documentation of paying birth certificate fees on behalf of category 1 homeless clients at county clerk's offices. Each public service agency must be reimbursed for the cost of the birth certificate fees quarterly until the allocation is fully spent.

Sec. 457. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$8,500,000.00 of TANF revenue to support family shelters or families who are homeless and at risk of being homeless. Funds appropriated under this section must be used as follows:

(a) \$3,000,000.00 for emergency hotels for families experiencing homelessness.

(b) \$3,500,000.00 for assistance and supports to families engaged with child welfare. This may include, but is not limited to, eviction diversion, first month's rent and deposit, and utility arrears.

(c) \$2,000,000.00 for creating additional spaces at family homeless shelters that have been in operation for at least 24 months.

Sec. 458. From the funds appropriated in part 1 for homeless programs, the department shall require any entities receiving direct or indirect state funds to report data to a Homeless Management Information System that satisfies the baseline data collection requirements.

Sec. 459. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$2,000,000.00 of TANF revenue to acquire and develop for individuals and families noncongregate shelter that utilizes options under a Housing First model and prioritizes providing stable and permanent housing without preconditions or requirements, such as sobriety or participation in treatment programs. Eligible uses for this funding may include, but are not limited to, hotels, motels, dormitories, recuperative care facilities, and other facilities that offer noncongregate shelter.

Sec. 460. From the funds appropriated in part 1 for kids' food basket, the department shall allocate \$525,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 185,000 and 200,000 and in a county with a population between 600,000 and 700,000, according to the most recent federal decennial census. The nonprofit organization recipient must have an existing network of food delivery to low-income children in not less than 3 counties in this state. The nonprofit organization shall use the funds to expand its services to additional schools and communities. The funding may be used to cover employee costs, food and supplies, equipment, and other operational costs identified by the organization to support its mission and goals.

Sec. 462. From the funds appropriated in part 1 for senior university, the department shall allocate \$400,000.00 to a community action alliance located in a city with a population over 500,000 according to the most recent federal decennial census to improve connectivity and computer skills to seniors.

Sec. 463. From the funds appropriated in part 1 for runaway and homeless youth grants and domestic violence prevention and treatment, the department is authorized to make allocations of TANF revenue only to agencies that report necessary data to the department to meet TANF eligibility reporting requirements.

Sec. 464. (1) From the funds appropriated in part 1 for diaper assistance grant, the department shall purchase diapering supplies in bulk and allocate those supplies to diaper assistance programs, maternity homes, local county offices, and other nonprofit agencies that distribute diapers free of charge and were established as of January 1, 2020. The funds must be used only to purchase diapering supplies and to cover related administrative costs. Not more than 15% of the funds appropriated in part 1 are expendable for administrative purposes.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the distribution of diapering supplies that includes, but is not limited to, the names and locations of the entities described in subsection (1) that distribute diaper supplies and the total amount of diapering supplies distributed to each entity.

(3) Funds appropriated for diaper assistance grant are considered work project funds, do not lapse at the end of the fiscal year, and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for grants for eligible entities to distribute diapers free of charge.

(b) The work project will be accomplished through partnerships with diaper assistance programs, maternity homes, and other nonprofit agencies.

(c) The total estimated cost of the work project is \$6,404,000.00.

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

Sec. 465. (1) From the funds appropriated in part 1 for community services and outreach administration, \$2,950,000.00 must be distributed as provided in subsection (2). The amount distributed as provided in subsection (2) must not exceed 50% of the total operating expenses of Michigan 2-1-1, which is described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) must be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer any received calls that report fraud, waste, or abuse of state-administered public assistance to the department.

(4) Michigan 2-1-1 shall submit, to the department, the senate and house of representatives standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, and the standard report recipients, a report that includes, but is not limited to, call volume by health and human service needs and unmet needs identified through caller data and number and the percentage of callers referred to public or private provider types.

Sec. 466. (1) From the funds appropriated in part 1 for runaway and homeless youth grants, the department shall allocate \$5,342,100.00 that consists of \$1,146,900.00 in general fund/general purpose revenue and \$4,195,200.00 of TANF revenue to support runaway and homeless youth capacity. The funding must be allocated based on a methodology that includes geographic coverage, population demographics, scope of services provided, and need. Provider agencies must provide continued infrastructure improvements and support for expanded staff, supervision, and training to continue to meet the complex mental health needs of the population served and the expansion of direct services for client stabilization.

(2) Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the runaway homeless youth program that includes, but is not limited to, all of the following:

(a) A list of counties served and the amount of funding allocated to each county.

(b) The amount of funding being allocated to previously underserved communities and how capacity has been expanded or is planned to be expanded in those communities.

(c) Identified barriers that have hindered providers from expanding capacity.

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year, unless contrary to the best interest of the child, will have been in foster care for 24 months or more.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report describing the steps that will be taken to achieve the goal under subsection (1). The report must also include the following:

(a) An explanation of the most significant barriers that prevent long-term foster children from permanent placements.

(b) The number of children currently in foster care for longer than 24 months and the percentage of those children that had paid Medicaid behavioral health claims or encounters within the last year.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall reimburse Indian tribal governments for 50% of the foster care expenditures for children who are under the jurisdiction of Indian tribal courts and are not otherwise eligible for federal foster care cost sharing. However, the department may reimburse up to 100% of the foster care expenditures for an Indian tribal government that enters into a state-tribal title IV-E agreement allowed under this state's title IV-E state plan.

Sec. 503. In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall review, update, or develop actuarially sound case rates for necessary child welfare foster care case management services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

Sec. 504. (1) From the funds appropriated in part 1, the department shall implement a 3-year master agreement, with an option for 2 additional years, with the West Michigan Partnership for Children Consortium to maintain a performance-based child welfare contracting program. The Consortium must consist of a network of affiliated child welfare service providers that will accept and comprehensively assess referred youth, assign cases to its members or leverage services from other entities, and make appropriate case management decisions during the duration of a case.

(2) As a condition for receiving the funding in part 1, the West Michigan Partnership for Children Consortium shall maintain a contract agreement with the department that supports a global capitated payment model. The capitated payment amount must be based on historical averages of both the number of children served in Kent County and the costs per foster care case. The West Michigan Partnership for Children Consortium shall manage the cost of the child population it serves. The administrative portion of the contracted agreement must reflect the cumulative annual percentage change in the Detroit Consumer Price Index from the previous year. The capitated payment amount must be reviewed and adjusted not less than 2 times during the current fiscal year or for 1 or more of the following:

(a) Changes implemented by the department that result in a volume of placements that differ in a statistically significant manner from the amount allocated in the annual contract between the department and the West Michigan Partnership for Children Consortium, as determined by an independent actuary.

(b) Changes in case volumes and any statewide rate increases that are implemented.

(3) The contract agreement under this section must require the following stipulations and conditions:

(a) That the service component of the capitated payment will be calculated under the assumption that rates paid to providers under the program are generally consistent with the department's payment policies for providers throughout the rest of this state.

(b) That the West Michigan Partnership for Children Consortium maintain a risk reserve of not less than \$1,500,000.00 to ensure it can meet unanticipated expenses within a given fiscal year.

(c) That the West Michigan Partnership for Children Consortium cooperate with the department on an independent fiscal analysis of costs incurred and revenues received.

(4) Not later than March 1 of the current fiscal year, the Consortium shall submit, to the standard report recipients, a report on the Consortium, including, but not limited to, its actual expenditures, the number of children placed by agencies in the Consortium, the fund balance of the Consortium, and the outcomes measured.

Sec. 505. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on youth referred or committed to the department for care or supervision in the previous fiscal year that outlines the number of youth served by the department in the juvenile justice system by the type of setting for each youth.

Sec. 506. From the funds appropriated in part 1 for attorney general contract, not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the juvenile justice system in any county in which funds appropriated in part 1 are expended. The report must include, but not be limited to, all of the following:

(a) The number of youth referred or committed to the department for care or supervision in the previous fiscal year and in the first quarter of the current fiscal year.

(b) The number of youth referred or committed to the care or supervision of the county in which funds appropriated in part 1 were expended for the previous fiscal year and the first quarter of the current fiscal year.

(c) The type of setting for each youth referred or committed for care or supervision, any applicable performance outcomes, and identified financial costs or savings.

(d) The required and actual staff-to-youth ratios.

Sec. 507. The department's ability to satisfy appropriation deductions in part 1 for foster care private collections is not limited to collections and accruals pertaining to services provided only in the current fiscal year and may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund, money granted or money received as gifts or donations to the children's trust fund created in 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) For the funds described in subsection (1), the department shall ensure that administrative delays are avoided and local grant recipients and direct service providers receive money in an expeditious manner. The department and the state board as that term is defined in section 2 of the child abuse and neglect prevention act, 1982 PA 250, MCL 722.601, shall make the children's trust fund contract funds available to grantees not later than 31 days after the start date of the funded project.

Sec. 509. (1) From the funds appropriated in part 1 for adoption support services, the department shall implement a rate structure that pays for cases based on the average length of time it takes to reach adoption finalization by case characteristics for licensed child placing agencies contracted with the department that provide adoption services for youth in foster care.

(2) For cases accepted before the implementation of the new rate structure described in subsection (1), the department shall maintain the increase of contracted rates paid to private child placing agencies, including the \$23.00 per diem for all foster youth from the date of the case acceptance to the date of adoption petition acceptance or 150 days, whichever occurs sooner, for licensed child placing agencies contracted with the department to provide adoption services for foster youth. The per diem rate must be separate from the outcome-based reimbursement system and must not be deducted from the total reimbursement an agency receives for the applicable placement or finalization rate of an adoption.

Sec. 510. The department shall submit reports on a monthly basis to the standard report recipients on all of the following:

(a) The number of children awaiting placement in a residential setting by child caring institution.

(b) The reason for the delay in placement, including, but not limited to, facility bed shortages, placement process delays, or other reasons.

(c) The number of incentive payments that were awarded by the department by child caring institution.

(d) The number of incentive payments that were denied by the department by child caring institution.

(e) Of the denials identified in subdivision (d), the department shall provide the rationale for denial of incentive payments including, but not limited to, refusal of placement, lack of staffing, or other reasons.

Sec. 511. The department shall submit, to the standard report recipients and the senate and house of representatives standing committees that cover subject matters dealing with families and human services, reports on a semiannual basis that include the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The goal of the program is for not less than 85% of children to have an initial medical and mental health examination that is not later than 30 days after entry into foster care.

Sec. 512. (1) From the funds appropriated in part 1 for foster care payments, the department shall allocate \$500,000.00 of TANF revenue to provide luggage to a child who is being removed from the child's home or changing placement and is a TANF eligible individual. The luggage provided under this section is considered to belong to the child and may not be confiscated by the department or the child's foster parent. The department is not required to provide new luggage under this section to a child who is changing placement and has had luggage previously provided by the department.

(2) The department may partner with local charities to establish and maintain the supply of luggage to be used to transport a child's personal belongings. Additionally, the department may accept donations of luggage to fulfill the requirements of this section.

(3) As used in this section, "luggage" means any of the following:

(a) A suitcase of any size.

(b) A duffel bag that holds at least 30 liters.

Sec. 513. (1) The department shall not expend funds appropriated in part 1 to pay for the department's direct placement of a child in an out-of-state facility unless all of the following conditions are met:

(a) An appropriate placement is not available in this state, as determined by the department's interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement, as determined by the department's interstate compact office.

(c) The out-of-state facility meets all of the licensing standards for a comparable facility in this state.

(d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.

(e) The department has visited the site of the out-of-state facility; has reviewed the facility records, licensing records, and reports; and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.

(3) Not later than March 1 of the current fiscal year, the department shall submit, to the state court administrative office and the standard report recipients, a report on the number of Michigan children residing in out-of-state facilities in the previous fiscal year, the total cost and average per diem cost of the out-of-state placements to this state, and a list of each out-of-state placement arranged by the Michigan county of residence for each child.

Sec. 514. (1) From the funds appropriated in part 1 for foster care payments, the department shall maintain a statewide respite care services network available to licensed foster parents and unlicensed relative caregivers that care for children in foster care.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the total number of licensed foster parents and unlicensed relative caregivers that were provided respite services, the average amount of respite time per month, and the total amount of funding spent on respite services during the previous fiscal year.

Sec. 515. If a children's protective services caseworker requests approval for another children's protective services caseworker or other department employee to accompany the caseworker on a home visit because the caseworker believes that it would be unsafe to conduct the home visit alone, the department shall not deny the request.

Sec. 516. (1) From funds appropriated in part 1 for child care fund, the administrative or indirect cost payment equal to 10% of a county's total monthly gross expenditures must be distributed to the county on a monthly basis, and a county is not required to submit documentation to the department for any of the expenditures that are covered under the 10% payment as described in section 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL 400.117a.

(2) From the funds appropriated in part 1 for child care fund – indirect cost allotment, the department shall allocate \$3,500,000.00 to counties and tribal governments that receive reimbursements in part 1 from child care fund.

(3) The amount described in subsection (2) must be distributed to each county or tribal government in the same proportion as indirect cost allotments are provided to counties in the same manner described in section 117a of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 517. For a child placed in a family foster care home located out of this state, the department may ask a state or private child placing agency contracted by the receiving state to carry out required visits and any additional visits that the department finds necessary.

Sec. 518. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the cumulative child care fund expenditures of in-home juvenile justice care that are eligible for the 75% state and 25% local split required under section 117a(4)(i) of the social welfare act, 1939 PA 280, MCL 400.117a. Eligible expenditures include community-based juvenile supervision, services, and related practices, and per diem rates for the use of respite and shelter for less than 30 days. The report must also include the expenditures by county and type of service provided, the number of youth receiving care, and the number of days of care.

Sec. 519. (1) The department shall complete a review of the effectiveness of the performance-based contracting program described in section 504(1) of article 6 of 2023 PA 119, to determine whether the contract should be continued.

(2) The review described in subsection (1) may include contractor performance in meeting contract performance measures related to child permanency, safety, and well-being, and the cost effectiveness and efficiency of the program.

(3) The department shall submit to the standard report recipients a report on the findings of the review described in subsection (1) not later than 30 days after the review has been completed.

Sec. 520. Not later than February 15 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the number of days of care and expenditures by funding source for the previous fiscal year for out-of-home placements by specific placement programs for child abuse or child neglect and juvenile justice, including, but not limited to, paid relative placement, department direct family foster care, private-agency-supervised foster care, private child caring institutions, county-supervised facilities, and independent living. The report must also include the number of days of care for department-operated residential juvenile justice facilities by security classification.

Sec. 522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate \$750,000.00 for scholarships through the fostering futures scholarship program in the Michigan education trust to youth who were in foster care because of child abuse or child neglect and are attending a college or a career technical educational institution located in this state. One hundred percent of the funds appropriated must be used to fund scholarships for the youth described in this section.

(2) Not later than June 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report that includes the number of youth who applied for scholarships under this section, the number of youth who received scholarships under this section and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) Not later than February 15 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the families first, family reunification, and families together building solutions family preservation programs. The report must include both of the following:

(a) Population and outcome data based on families served.

(b) For each program, information on any innovations that may increase child safety and reduce risk.

(2) Not later than October 1 of the current fiscal year, from the funds appropriated in part 1 for family preservation services, the department shall increase the rates established by the increase under section 523(3) of article 6 of 2020 PA 166.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, not later than October 1 of the current fiscal year, counties shall submit the service spending plan to the department for approval. Not later than 30 calendar days after receipt of a properly completed service spending plan, the department shall approve the service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance must be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 526. From the funds appropriated in part 1 for court-appointed special advocates, the department shall allocate \$2,250,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a charter township with a population between 18,000 and 19,000 that is located in a county with a population between 600,000 and 700,000, according to the most recent federal decennial census. The nonprofit organization recipient must have an existing network of affiliate programs operating in not less than 25 counties in this state. The recipient nonprofit organization shall use the funds to recruit, screen, train, and supervise volunteers who provide advocacy services on behalf of abused and neglected children.

Sec. 528. From the funds appropriated in part 1 for child care fund, the department shall allocate \$3,730,300.00 to support the annual basic grant to counties with a population of less than 75,000, according to the most recent federal decennial census, and as described in section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, and to eligible tribal entities. The basic grant must be \$56,520.00 to eligible counties and tribal entities.

Sec. 529. From the funds appropriated in part 1 for family preservation programs, the department shall increase the total combined funding levels of the families first, family reunification, and families together building solutions family preservation programs at an amount not less than the amount provided as of September 30, 2021.

Sec. 530. (1) All master contracts relating to foster care and adoption services as funded by the appropriations in section 105 of part 1 must be performance-based contracts that employ a client-centered and results-oriented process that is based on measurable performance indicators and desired outcomes and includes an annual assessment of the quality of services provided.

(2) Not later than February 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 534. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the adoption subsidies expenditures from the previous fiscal year. The report must include, but is not limited to, the range of non-\$0.00 annual adoption support subsidy amounts, for both title IV-E eligible cases and state-funded cases, paid to adoptive families; the number of title IV-E and state-funded cases; the number of cases in which an adoption support subsidy request by an adoptive parent was denied by the department; and the number of adoptive parents who requested an adoption support subsidy redetermination.

Sec. 537. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the following information for cases of child abuse or child neglect from the previous fiscal year:

- (a) The total number of relative care placements.
- (b) The total number of relative care placements into unlicensed relative homes.
- (c) The total number of relative care placements into licensed relative homes.
- (d) The total number of unlicensed relative providers with a relative placement that were denied a foster home license due to not meeting the standards established for foster care licensing in this state.
- (e) From a sample of cases, a list of the reasons documented by the department for denial of relative foster home licensure.
- (f) For licensed relative caregivers without placements, the status of title IV-E claims for foster care maintenance payments and foster care administrative payments.

Sec. 540. If a physician or psychiatrist who is providing services to a state or court ward placed in a residential facility submits a formal request to the department to change the psychotropic medication for a ward, the department shall, if the ward is a state ward, make a determination on the proposed change not later than 7 business days after the request or, if the ward is a temporary court ward, seek parental consent not later than 7 business days after the request. If the determination or parental consent is not provided by the seventh business day, the department shall petition the court for the determination or consent on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay an administrative rate of not less than \$60.20 to providers of general foster care, independent living, and trial reunification services.

(2) From the funds appropriated in part 1, the department shall pay providers of independent living plus services per diem statewide rates for staff-supported housing and host-home housing that are based on proposals submitted in response to a solicitation for pricing. The independent living plus program provides staff-supported housing and services for foster youth 16 years of age to 19 years of age who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(3) If required by the federal government to meet title IV-E requirements, on a quarterly basis, providers of foster care services shall submit a report on expenditures to the department to identify actual costs of providing foster care services.

Sec. 547. (1) From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

(2) The department shall submit, to the standard report recipients, a report that includes quarterly data on the number of children enrolled in the guardianship assistance and foster care – children with serious emotional disturbance waiver programs.

Sec. 550. (1) The department shall not offset against reimbursements to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement, and reimbursements must not be paid, for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) Not later than 12 months after a date of service, a service provider shall submit a request for payment. A request for payment submitted later than 12 months after the date of service requires the provider to submit an exception request to the county or the department for approval or denial.

(3) A county is not subject to any offset, chargeback, or reimbursement liability for a prior expenditure resulting from an error in a foster care fund source determination.

Sec. 551. Not later than 30 days after a county requests a clarification through the department's child care fund management unit email address, the department shall respond to the request.

Sec. 552. Sixty days after a county's child care fund review is completed, including the receipt of all requested documentation from the county, the department shall provide the results of the review to the county. In the review, the department shall not evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services provided to youth by the county's child care fund programs. The department shall not release the results of a county's child care fund review to a third party without the permission of the county.

Sec. 554. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501; currently has locations in 3 cities; operates on a 100% volunteer basis with a board of directors consisting of not more than 15 members; is a dedicated community of individuals that give their time, talent, and resources to provide the best quality shopping environment that they can to local children in need; and provides clothing, shoes, toys, linens, nursery furniture, strollers, car seats, school supplies, hygiene products, and safety equipment to local foster children and their families free of charge.

Sec. 557. If a vehicle that is owned by the state is available and not scheduled for use by other state workers, the department may consider a children's protective services caseworker or a foster care caseworker driving the vehicle to a foster home visit or driving the vehicle to the caseworker's own home as an allowable use of the vehicle if the driving would be helpful to the caseworker in conducting the caseworker's work.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services, not later than December 1 of the current fiscal year, the department shall allocate \$500,000.00 to the Adoptive Family Support Network to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) Not later than March 1 of the current fiscal year, the Adoptive Family Support Network shall submit, to the standard report recipients, a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 560. From funds appropriated in part 1 for foster care payments, the department shall allocate \$100,000.00 to reimburse children in foster care for the costs of extracurricular activities, which include, but are not limited to, athletics, music, band, drama, and other enrichment activities.

Sec. 562. If a foster parent transports a foster child to parent-child visitation, the department shall reimburse the foster parent for the foster parent's time and travel. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request reimbursement for all parent-child visitations. Not later than 60 days after receiving a request from a foster parent for eligible reimbursement, the department shall provide the reimbursement.

Sec. 564. (1) The department shall maintain a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of caseworker control.

(2) In accordance with the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of caseworker control.

(3) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the following:

(a) The percentage of success rates for parent-child visitations and court-ordered required meetings under subsections (1) and (2) for the previous fiscal year.

(b) The barriers to achieve the success rates described in subsections (1) and (2) and how this information is tracked.

Sec. 568. (1) The department shall ensure each youth transitioning out of foster care is given assistance with obtaining a driver license or state identification card and is issued a copy of the youth's Social Security number, as required by department policy. Assistance must be provided to each youth who is eligible to obtain a driver license or state identification card and, based on the youth's citizenship and legal residency status, a Social Security card.

(2) Not later than April 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the number of youth who received assistance with obtaining a driver license or state identification card, the number of youth who received assistance with obtaining a Social Security card, and the number of youth who were eligible for assistance but did not receive the assistance and an explanation as to why the youth did not receive the assistance.

Sec. 569. The department shall reimburse each private child placing agency that completes an adoption at the rate on the date when the petition for adoption and the required support documentation were accepted by the court and not the rate on the date when the court's order placing for adoption was entered.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, \$1,375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers for assistance with home improvements and items needed to ensure compliance with licensing rule requirements, including payment for physical exams needed by foster families, and, to accommodate children in foster care, alleviating potential safety concerns for unlicensed relatives caring for a family member through the child welfare system.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the total amount expended in the previous year for grants to private and community-based foster care service providers for home improvements or physical exams described in subsection (1) and the number of grants issued.

Sec. 575. From the funds appropriated in part 1 for children's services administration, the department shall allocate \$200,000.00 to provide support and coordinated services to the kinship caregiver advisory council. The responsibilities of the council may include all of the following:

(a) Establishing a public awareness campaign to educate the public about kinship caregivers and this state's efforts to better serve kinship caregivers.

(b) Consulting and coordinating with the kinship caregiver navigator program to collect aggregate data on individuals being served by the kinship caregiver navigator program, including information on what services the individuals need.

(c) Consulting and collaborating with the provider of the kinship caregiver navigator program on the design and administration of the program.

(d) Establishing, maintaining, and updating a list of local support groups and programs that provide services to kinship families and, in order to obtain a better understanding of the issues facing kinship families, devising a plan of action for engaging with the groups and programs on the list.

(e) Developing methods to promote and improve collaboration between state, county, and local governments and agencies and private stakeholders for all of the following reasons:

(i) To obtain a broad understanding of the characteristics and prevalence of kinship caregiving.

(ii) To improve service delivery.

(iii) To include the methods in the council's recommendations.

Sec. 578. (1) From the funds appropriated in part 1 for foster care payments, the department shall allocate up to \$1,744,100.00 in Title IV-E passthrough funds for educational pilot programs to strengthen this state's child welfare workforce. The department shall enter into contractual arrangements with state universities to provide bachelor of social work and master of social work educational training, including field placements and stipends for tuition and educational expenses. In exchange, students completing eligible educational programs are contractually obligated to work for Michigan child welfare agencies for a minimum of 4 months for every semester they receive the stipend. The matching funds for the Title IV-E funds must be provided by the participating state universities from the expenses incurred for training child welfare students who participate in the program.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the status of pilot programs under subsection (1) that includes, but is not limited to, the total number of applicants, the total number of program participants, a list of state universities that participated in the pilot programs, and the total amount of matching funds that each state university contributed to the programs.

Sec. 581. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 for caseworkers to provide immediate assistance with urgent needs, including, but not limited to, food, clothing, and other basic necessities, for children, including children who are victims of human trafficking, on the children's removal from the children's homes or other dangerous environments. The department shall track the distribution of the funds and, not later than June 1 of the current fiscal year, submit, to the standard report recipients, a report on the amount of funds distributed and the number of children impacted.

Sec. 583. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients and the senate and house of representatives standing committees that cover subject matters dealing with families and human services, a report that includes all of the following:

(a) The number and percentage of foster parents that closed their license in the previous fiscal year, the reasons the foster parents left, and how the figures compare to the figures for prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how the figures compare to the figures for prior fiscal years.

(c) The number and percentage of licensed foster homes that closed their license because they adopted their foster child.

Sec. 585. Each month, the department shall make available at least 1 pre-service training class in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 588. (1) Concurrently with public release, the department shall transmit, without revision, all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the standard report recipients.

(2) Not later than October 1 of the current fiscal year, the department shall submit, to the standard report recipients, a detailed plan that addresses the status and progress toward exiting the settlement by September 30 of the current fiscal year. The report must include an update on the department's child welfare initiative.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a quarterly basis, the department shall submit a report, to the standard report recipients, on the monthly number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 592. On a quarterly basis, the department shall submit, to the chairs of the senate and house of representatives standing oversight committees and the standard report recipients, a report that includes data from children's protective services staff for each of the following for the most recent quarter before the applicable report is submitted:

(a) The percent of investigations commenced in 24 hours immediately after receiving a report.

(b) The percent of central registry reviews performed for required individuals.

(c) The percent of face-to-face contacts made within the established timeframe required by the department.

(d) In appropriate cases, the percent of sibling placement evaluations completed when 1 or more children remain in the home after a child has been removed.

(e) The percent of supervisory reviews performed in a timely manner.

(f) The results of a department survey of children's protective services investigators on the number of investigators who are concerned for their own personal safety.

(g) The percent of investigators using the mobile application or another tool to document compliance.

Sec. 593. The department shall conduct an annual review in each county to determine if the county has adopted and implemented standard child abuse and child neglect investigation and interview protocols under section 8(6) of the child protection law, 1975 PA 238, MCL 722.628.

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all counties of this state. The purpose of the funding is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

Sec. 598. Partial child care fund reimbursements to counties for undisputed charges must not be made later than 45 business days after receipt of the required forms and documentation. Not later than 15 business days after receiving a request from a county for reimbursement of a disputed charge, the department shall commence activity to investigate and resolve the disputed reimbursement charge. The activity to investigate and resolve a disputed reimbursement charge may include, but is not limited to, the use of a formal appeals process under applicable law and the department chargeback policy. Not later than 45 business days after a properly corrected submission by the county, the department shall reimburse the county for the corrected charge or charges.

PUBLIC ASSISTANCE

Sec. 601. After a client agrees to the release of the client's name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vending has been requested meets applicable local housing codes. Vending must be terminated if the local housing authority indicates in writing that the unit does not meet local housing codes and until the local housing authority indicates in writing that the local housing codes have been met.

Sec. 602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time in a 1-year period.

Sec. 603. For any change in the income of a recipient of the food assistance program, the family independence program, or state disability assistance that results in a benefit decrease, the department shall notify the recipient of the amount of the decrease not later than 15 work days before the first day of the month in which the decrease takes effect.

Sec. 604. (1) From the funds appropriated in part 1 for state disability assistance payments, the department shall operate a state disability assistance program. Except as provided in subsection (3), to be eligible for the program, an individual must be a needy citizen of the United States or alien exempted from the SSI citizenship requirement who is not less than 18 years of age, or an emancipated minor, and meets 1 or more of the following requirements:

(a) Is a recipient of SSI, Social Security, or medical assistance due to disability or being 65 years of age or older.

(b) Is an individual with a physical or mental impairment that meets federal SSI disability standards, except that the minimum duration of the disability must be 90 days. Substance use disorder alone is not a basis for eligibility.

(c) Is a resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

(d) Is an individual receiving 30-day postresidential substance use disorder treatment.

(e) Is an individual diagnosed as having AIDS.

(f) Is an individual receiving special education services through a local intermediate school district.

(g) Is a caretaker of a disabled individual who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) An applicant for or recipient of state disability assistance is considered needy if the applicant or recipient does both of the following:

(a) Meets the same asset test as is applied for the family independence program.

(b) Has a monthly budgetable income that is less than the payment standards.

(3) Except for an individual described in subsection (1)(c) or (d), an individual is not disabled under this section if the individual's drug addiction or alcoholism is a contributing factor material to the determination of disability.

(4) As used in this section:

(a) "Material to the determination of disability" means that, if the individual stopped using drugs or alcohol, the individual's remaining physical or mental limitations would not be disabling. If the individual's remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the individual may receive state disability assistance, but the individual must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments.

(b) "Substance abuse treatment" includes receipt of inpatient or outpatient services or participation in Alcoholics Anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities must be the same as the prevailing SSI rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the Social Security Administration for SSI to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program on receipt of retroactive SSI benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues is not limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year and may include revenues collected during the current year that are prior-year-related and not a part of the department's accrued entries.

(2) The department may use SSI recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. An adult foster care facility that provides domiciliary care or personal care to a resident receiving SSI or a home for the aged serving a resident receiving SSI shall not require a resident described in this section to reimburse the home for the aged or adult foster care facility for care at a rate in excess of a rate that is authorized by the legislature. To the extent permitted by federal law, an adult foster care facility and home for the aged that serves a resident receiving SSI is not prohibited from accepting a third-party payment in addition to SSI if the payment is not for food, clothing, or shelter, or would result in a reduction in the resident's SSI payment.

Sec. 609. The department shall not reduce the state supplementation level under the SSI program for the personal care/adult foster care and home for the aged categories during the current fiscal year. Not later than 30 days before a proposed reduction in the state supplementation level, the department shall notify the legislature of the proposed reduction.

Sec. 610. (1) In developing good-cause criteria for the state emergency relief program, the department shall grant an exemption from the good-cause criteria if an emergency results from an unexpected expense related to maintaining or securing employment.

(2) In determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if the group's total housing obligation does not exceed 75% of the group's total net income.

(3) The department shall not make a state emergency relief payment to an individual who has been found guilty of fraud in obtaining public assistance.

(4) The department shall not make a state emergency relief payment to an individual who is an out-of-state or nonlegal resident.

(5) The department shall distribute a state emergency relief payment for rent assistance directly to a landlord and shall not add the payment to a Michigan bridge card.

Sec. 611. The state supplementation level under the SSI program for the living independently category or living in the household of another category must not exceed the minimum state supplementation level as required under federal law.

Sec. 613. (1) From the funds appropriated in part 1 for indigent burial, the department shall provide a reimbursement for the final disposition of an indigent individual. A reimbursement under this section must comply with all of the following:

- (a) The maximum allowable reimbursement for the final disposition is \$900.00.
- (b) The adult burial with services allowance is \$820.00.
- (c) The adult burial without services allowance is \$570.00.
- (d) The infant burial allowance is \$225.00.

(2) The department shall reimburse up to \$80.00 for a cremation permit fee and for mileage at the standard rate for an eligible cremation. A reimbursement under this subsection must take into consideration whether an indigent individual's religious preference prohibits cremation.

(3) An application for burial services must be made no later than 20 business days after the burial, cremation, or donation takes place. A friend or relative of the indigent individual may supplement the burial payment in any amount up to \$6,000.00 for additional services. A funeral director, with written authorization provided by a relative of the indigent individual, is deemed an authorized representative for burial benefits.

(4) By January 31 of the current fiscal year, the department shall submit a report to the standard report recipients on burial service payments issued from the state emergency relief program during the previous fiscal year. The report must include the number of applicants denied and the number of payments by the following burial service categories:

- (a) Fetus or infant less than 1 month of age.
- (b) Burial with memorial service.
- (c) Burial without memorial service.
- (d) Cremation with memorial service.
- (e) Cremation without memorial service.
- (f) Transportation of a donated or unclaimed body being cremated.
- (g) Cremation permit fee for an unclaimed body.
- (h) Disposition of an unclaimed body.
- (i) Payment if an irrevocable funeral agreement exists.
- (j) An unclaimed body received by a university.

Sec. 614. By January 15 of the current fiscal year, the department shall submit a report to the standard report recipients on the number and percentage of state disability assistance recipients who were determined to be eligible for federal SSI benefits in the previous fiscal year.

Sec. 615. Except as required by federal law, the department shall not use funds appropriated in part 1 to provide public assistance to an individual who is not a United States citizen, permanent resident alien, or refugee. This section does not prohibit the department from entering into a contract with a food bank, emergency shelter provider, or another human service agency that may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require a retailer that participates in the electronic benefits transfer program to charge no more than a \$2.50 fee for cash back as a condition of participation.

Sec. 619. The department shall not deny a title IV-A assistance and food assistance benefit under 21 USC 862a to an individual who has been convicted of a felony for the possession, use, or distribution of a controlled substance, if both of the following are met:

- (a) The act that resulted in the conviction occurred after August 22, 1996.
- (b) The individual is not in violation of the individual's probation or parole requirements.

Sec. 620. (1) The department shall determine a Medicaid applicant's Medicaid eligibility not later than 90 days after the Medicaid applicant completes a Medicaid application if the Medicaid applicant's disability is an eligibility factor. For other Medicaid applicants, including an applicant who is a patient of a nursing home, the department shall determine the applicant's Medicaid eligibility within 45 days after receiving the Medicaid applicant's application.

(2) On a quarterly basis, the department shall submit a report to the standard report recipients on the number of recipients who were ineligible for Medicaid after Medicaid eligibility redeterminations resumed after federal continuous enrollment requirements ended. The report must include, in a monthly data format, the number of recipients who had their eligibility examined directly, through an ex parte eligibility process or through a passive eligibility process. The report must also include a copy of each baseline and monthly report that the department provides to CMS for unwinding data reporting and the number of recipients who did not respond to the department through eligibility outreach or data requests.

Sec. 625. From the funds appropriated in part 1 for SSI advocacy legal services grant, the department shall allocate \$975,000.00 as a grant to the Legal Services Association of Michigan (LSAM). The purpose of the grant is to assist current or potential recipients of state disability assistance who have applied for or wish to apply for SSI or other federal disability benefits. LSAM shall provide a list of newly eligible SSI recipients to the department to verify that services are provided to department referrals.

Sec. 645. The department shall consider an individual or family to be homeless for purposes of eligibility for state emergency relief, if the individual or family is living temporarily with another in order to escape domestic violence. The department shall define and verify domestic violence in the same manner as the department defines and verifies that term in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 653. From the funds appropriated in part 1 for food assistance program benefits, an individual who is the victim of domestic violence or human trafficking and who does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. The department may extend the exemption for an additional 3 months if an individual described in this section demonstrates to the department a continuing need.

Sec. 654. The department shall notify a recipient of food assistance program benefits that the recipient's benefits can be spent with the recipient's Michigan bridge card at many farmers markets in this state. The department shall also provide a recipient with information about the double up food bucks program that is administered by the Fair Food Network. The information about the double up food bucks program must include, but is not limited to, information that if the recipient spends \$20.00 at a participating farmers market through the program, the recipient may receive an additional \$20.00 to buy Michigan produce.

Sec. 655. Not later than 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures and itemized expenditures for the previous fiscal year, to the standard report recipients.

Sec. 660. From the funds appropriated in part 1 for Food Bank Council of Michigan, the department shall allocate \$12,045,000.00 for procuring and distributing the Michigan agricultural surplus system to distribute surplus produce to low-income residents of this state.

Sec. 669. From the funds appropriated in part 1 for family independence program – clothing allowance, the department shall allocate \$10,000,000.00 for the annual clothing allowance. The department shall grant the allowance to eligible children in a family independence program group.

Sec. 672. (1) By February 15 of the current fiscal year, the department's office of inspector general shall submit a report to the standard report recipients on the department's efforts to reduce the inappropriate use of Michigan bridge cards and food assistance program trafficking. The department shall provide information on the number of recipients of services who used their Michigan bridge card inappropriately and the current status of each case, the number of recipients whose benefits were permanently and temporarily revoked as a result of inappropriately using their Michigan bridge cards, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting the inappropriate use of Michigan bridge cards. The report must also include the number of Michigan bridge card trafficking instances and overall welfare fraud referrals, that includes, but is not limited to, information on the number of investigations completed, fraud and intentional program violation dollar amounts identified, the number of referrals to prosecutors, the number of administrative hearing referrals and waivers, and the number of program disqualifications imposed. The report must distinguish between savings and cost avoidance. As used in this subsection:

(a) "Savings" includes receivables established from instances of fraud committed.

(b) "Cost avoidance" includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) If a fourth Michigan bridge card has been issued to a household in a 12-month period, the department shall notify the household that the household has reached the number of issued cards threshold. At a household's fifth and each subsequent card replacement request, a card will not be issued until a recipient from the household has spoken directly to the local office district manager or county director. The district manager or county director may issue a new Michigan bridge card based on the district manager's or county director's assessment of the recipient's situation and the recipient's explanation.

(3) As used in this section:

(a) "Food assistance trafficking" means the buying and selling of food assistance benefits for cash or items not authorized under 7 USC 2036b.

(b) "Inappropriate use" means not used to meet a family's ongoing basic needs, including, but not limited to, food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established must not be less than 50%. The goal for long-term employment must be 15% of cases for 6 months or more.

(2) The department shall submit an annual report, providing quarterly data, to the standard report recipients on the number of cases referred to PATH, the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit a report to the standard report recipients. The report must include quarterly data on all of the following:

- (a) The number and percentage of nonexempt family independence program recipients who are employed.
- (b) The average and range of wages of employed family independence program recipients.
- (c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 678. (1) From the funds appropriated in part 1 for family independence program – child supplemental payment, the department shall allocate \$16,240,100.00 of TANF revenue to provide a supplemental payment for the current fiscal year for each child under 6 years of age within a family receiving cash assistance. Not later than November 30 of the current fiscal year, the department shall distribute an equal payment based on the funds available in part 1 and the total number of children under 6 years of age who are within a family receiving cash assistance.

(2) From the funds appropriated in part 1 for family independence program – child supplemental payment, the department shall allocate \$7,000,000.00 of TANF revenue to provide a supplemental payment for the current fiscal year for each child 6 years of age or older but under 14 years of age within a family receiving cash assistance. Not later than November 30 of the current fiscal year, the department shall distribute an equal payment based on the funds available in part 1 and the total number of children who are 6 years of age or older but under 14 years of age within a family receiving cash assistance.

(3) By February 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the amount of funding distributed under this section and shall include the number of family independence program cases, the number of family independence program eligible children by age group, and the amount of funding distributed by age category.

Sec. 686. (1) The department shall confirm that an individual who presents a personal identification issued by another state and is seeking assistance through the family independence program, food assistance program, state disability assistance program or medical assistance program is not receiving benefits from another state.

(2) The department shall confirm the address provided by an individual who is seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit an individual who has property assets assessed at a value higher than \$200,000.00 from receiving assistance through a department-administered program, unless prohibiting assistance would violate a federal law or guideline.

(4) The department shall make a reasonable attempt to obtain an up-to-date telephone number for an individual seeking medical assistance benefits during the eligibility determination or redetermination process for the individual.

Sec. 687. (1) On a quarterly basis, the department shall compile and make available a report on its website that contains all of the following information about the family independence program, state disability assistance, the food assistance program, indigent burial, Medicaid, and state emergency relief:

- (a) The number of applications received.
- (b) The number of applications approved.
- (c) The number of applications denied.
- (d) The number of applications pending and neither approved nor denied.
- (e) The number of cases opened.
- (f) The number of cases closed.
- (g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.
- (2) The department shall compile and make the information provided under subsection (1) available for this state as a whole and for each county and shall report the information separately for each program listed in subsection (1).

(3) On a quarterly basis, the department shall compile and make available a report on its website of the following family independence program information:

- (a) The number of new applicants who successfully met the requirements of the 10-day assessment period for PATH.
- (b) The number of new applicants who did not meet the requirements of the 10-day assessment period for PATH.

(c) The number of cases sanctioned because of a school truancy policy.

(d) The number of cases closed because of the lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children 0 to 5 years of age who are living in a family independence program-sanctioned household.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, the department shall make an additional \$20.01 payment to each food assistance program case that is not currently eligible for the standard utility allowance to allow each case to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

Sec. 689. (1) From the funds appropriated in part 1 for prenatal and infant support program, the department shall allocate \$20,000,000.00 of TANF revenue for programs that are intended to improve the economic stability of households with very young children.

(2) In allocating the funds referenced in subsection (1), the department shall give preference to programs that demonstrate the following:

(a) Effectiveness in improving the economic stability of households with pregnant women at a minimum of 20 weeks gestation, and with young children.

(b) Partnerships with local health care providers and nonprofit human service agencies that provide for improved maternal and infant health outcomes.

(c) Compliance with TANF requirements established by the Administration for Children and Families within the United States Department of Health and Human Services.

(3) By September 30 of the current fiscal year, the department, through agreements with contracted implementing agencies, shall report to the standard report recipients information through June 30 of the current fiscal year on the aggregated demographic data of all program recipients regardless of underlying funding source. The report must include, but not be limited to, aggregated recipient data from contracted implementing agencies with each contracted implementing agency providing the age, race, ethnicity, Hispanic or Latino origin, federal poverty level, funding source, and zip codes of all program recipients.

CHILDREN'S SERVICES AGENCY – JUVENILE JUSTICE

Sec. 701. Unless required by a change to federal law or the law of this state or at the request of a provider, the department shall not alter the terms of a signed contract with a private residential facility that serves children who are under state or court supervision without receiving written consent from a representative of the private residential facility.

Sec. 706. A county is subject to a 50% chargeback for the use of an alternative regional detention service, if the detention service does not fall under the basic grant provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates the detention service program primarily with professional rather than volunteer staff.

Sec. 707. To be reimbursed for child care fund expenditures, a county shall submit to the department the report required under section 117a(11) of the social welfare act, 1939 PA 280, MCL 400.117a, to enable the department to document a potential federally claimable expenditure.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, a county shall have an approved service spending plan for the current fiscal year. Not later than August 15 of the current fiscal year, a county shall submit the county's service spending plan for the following fiscal year to the department for approval. The department shall approve a county's service spending plan not later than 30 calendar days after the department receives a properly completed service spending plan from the county that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit revisions to a service spending plan to a county whose service spending plan is not approved after initial submission. The department shall not request any additional revisions to a county's service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county that its service spending plan is approved not later than 30 days after the department considers the county's revisions to the county's service spending plan.

(2) A county shall submit an amendment to its county service spending plan for the current fiscal year to the department not later than August 30 of the current fiscal year. A county shall submit payable estimates for the current fiscal year to the department not later than September 15 of the current fiscal year.

(3) Not later than February 15 of the current fiscal year, the department shall submit a report to the standard report recipients on the number of counties that fail to submit a service spending plan by August 15 of the previous fiscal year and the number of service spending plans not approved by October 15. The report must include the number of county service spending plans that were not initially approved by the department and the number of service spending plans that were not approved by the department after being resubmitted by the county after revisions were requested by the department under subsection (1).

Sec. 709. The department's master contract for juvenile justice residential foster care services must prohibit a contractor from denying a referral for placing a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by a court or the department. The master contract must also require that a youth placed in a juvenile justice residential foster care facility has regularly scheduled treatment sessions with a licensed psychologist or a psychiatrist, or both, and access to the licensed psychologist or a psychiatrist as needed.

LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES

Sec. 801. The department shall submit a monthly report to the standard report recipients on the most recent food assistance program error rate derived from the active cases, reported to the United States Department of Agriculture Food and Nutrition Service for the supplemental nutrition assistance program.

Sec. 802. From the funds appropriated in part 1 for local office staff travel, the department shall allocate up to \$100,000.00 annually toward reimbursing the out-of-pocket costs of county board members and county department directors to attend statewide meetings of the Michigan County Social Services Association.

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than \$450,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the \$450,000.00 allocated under this section, the department shall use \$225,000.00 of general fund/general purpose revenue as state matching funds to receive not less than \$225,000.00 in funding from the United States Department of Agriculture to provide outreach program activities as part of a statewide food assistance hotline. The outreach program activities may include eligibility screening and information services.

Sec. 808. Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the nutrition education program. The report must include all of the following information:

- (a) All of the following for the supplemental nutrition assistance program education funding:
 - (i) The planned allocation and actual expenditures, by location of programs.
 - (ii) Planned and actual grant amounts, by location of programs.
 - (iii) The total amount of expected carryforward balance at the end of the current fiscal year.
- (b) For each subgrantee program, a list of all supplemental nutrition assistance program education funding programs by implementing agency with the amount of funding allocated.

Sec. 825. From the funds appropriated in part 1, the department shall provide an individual with not more than \$2,000.00 for vehicle repairs, including a repair done in the previous 12 months. The \$2,000.00 limit described in this section includes the combined total of payments made by the department and the work participation program.

Sec. 826. (1) From the funds appropriated in part 1 for local office policy and administration, not less than \$300,000.00 is allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of this state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) Not later than March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall submit a report to the department on the efficacy of the contract. The department shall submit the report to the standard report recipients not later than 30 days after the department receives the report from the Prosecuting Attorneys Association of Michigan.

Sec. 850. (1) The department shall maintain each out-stationed eligibility specialist in a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, FQHC, and hospital, unless the community-based organization, community mental health agency, nursing home, adult placement and independent living setting, FQHC, or hospital requests to discontinue the positions at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into a contract with any agency that is able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal law.

(3) A contract for a donated funds position for assistance payments must include, but not be limited to, performance metrics on both of the following topics:

- (a) Meeting a standard of promptness for processing an application for Medicaid and other public assistance programs under the law of this state.
- (b) Meeting required standards for error rates in determining programmatic eligibility, as determined by the department.

(4) The department shall fill an additional donated funds position only after a new contract has been signed with an agency. The position must be abolished when the contract expires or is terminated.

(5) The department shall classify as a limited-term FTE a new employee who is hired to fill a donated funds position contract or is hired to fill a vacancy from an employee who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the standard report recipients detailing information on the donated funds positions. The report must include, but is not limited to, the total number of occupied positions, the total private contribution of the positions, and the total cost to this state for a nonsalary expenditure for the donated funds position employees.

Sec. 851. From the funds appropriated in part 1 for adult services local office staff, the department shall seek to reduce the number of older adults who are victims of crime and fraud by increasing the standard of promptness in every county, as measured by commencing an investigation not later than 24 hours after a report is made to the department, establishing face-to-face contact with the client not later than 72 hours after a report is made to the department, and completing the investigation not later than 30 days after a report is made to the department.

DISABILITY DETERMINATION SERVICES

Sec. 890. From the funds appropriated in part 1 for disability determination services, the department shall maintain the unit rates in effect on September 30, 2019 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Sec. 901. The department shall use the funds appropriated in part 1 to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal law and the law of this state.

Sec. 902. (1) From the funds appropriated in part 1, the department shall make a final authorization to a CMHSP or PIHP on the execution of a contract between the department and the CMHSP or PIHP. The contract must contain an approved plan and budget and any policy and procedure governing the obligations and responsibilities of each party to the contract. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection must 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 submit a report to the standard report recipients if either of the following occurs:

(a) The department enters into a new contract with a CMHSP or PIHP that would affect a rate or expenditure.

(b) The department amends a contract that the department has entered into with a CMHSP or PIHP that would affect a rate or expenditure.

(3) The report required by subsection (2) must include information about any changes to the contract and the change's effects on rates and expenditures.

Sec. 904. (1) Not later than September 30 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the standard report recipients that includes the information required by this section.

(2) The report required under subsection (1) must contain, unless otherwise noted, information for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment, and a statewide summary, as follows:

(a) A statewide summary of the demographic description of service recipients that, minimally, includes reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group.

(c) A statewide summary of Medicaid-funded cost information for the 3 diagnosis groups of adults with a mental illness, children with a serious emotional disturbance, and individuals with an intellectual or developmental disability. The statewide summary must, minimally, include expenditures by service category for each of the 3 diagnosis groups described in this subdivision and cases, units, and cost of each specific service code index or health care common procedure coding system code for each of the 3 diagnosis groups.

(d) Financial information on non-Medicaid mental health services by general fund cost reporting category.

(e) Information about access to each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment, that includes, but is not limited to, all of the following:

(i) The number of individuals receiving requested services.

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

(f) The number of second opinions requested under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the determination of any appeals.

(g) Lapses and carryforwards during the previous fiscal year for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(h) Performance indicator information required to be submitted to the department in the contracts with each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(i) Administrative expenditures of each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment that include a breakout of the salary, benefits, and pension of each executive-level staff, which includes, but is not limited to, the director, chief executive, and chief operating officer.

(3) The report required under subsection (1) must contain the following information from the previous fiscal year on substance use disorder prevention, education, and treatment programs:

(a) The expenditures stratified by department-designated community mental health entity, by fund source, by subcontractor, by population served, and by service type.

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

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

(d) The collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(4) The department shall include the data reporting requirements described in subsections (2) and (3) in the department's annual contract with each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

Sec. 907. (1) The department shall expend the amount appropriated in part 1 for community substance use disorder prevention, education, and treatment to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) Each managing entity shall continue current efforts to collaborate on the delivery of services to clients with mental illness and substance use disorder diagnoses, with the goal of providing services in an administratively efficient manner.

Sec. 909. From the funds appropriated in part 1 for health homes, the department shall use available revenue from the marijuana regulatory fund established in section 604 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health, expand access to substance use disorder prevention and treatment services, and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that a contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage the diversion of individuals with a 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. 912. The department shall contract directly with the Salvation Army Harbor Light program, at an amount not less than the amount provided during the fiscal year ending September 30, 2020, to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care established by the department. The standard of care must include, but is not limited to, using a medication assisted treatment option.

Sec. 913. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$2,025,000.00 for the autism navigator program. The department shall require a contractor receiving funds under this section to comply with performance-related metrics established by the department to maintain eligibility for funding. The performance-related metrics must include, but not be limited to, all of the following:

(a) Each contractor shall have an accreditation that attests to the contractor's competency and effectiveness in providing services.

(b) Each contractor shall demonstrate cost-effectiveness.

(c) Each contractor shall ensure the contractor's ability to leverage private dollars to strengthen and maximize service provision.

(d) Each contractor shall provide quarterly reports to the department on the number of clients served by PIHP region, units of service provision by PIHP region, and ability to meet their stated goals.

(2) The department shall require a report from a contractor receiving funds under this section. A contractor shall submit the report to the department not later than 60 days after the end of the contract period. The report must include specific information on services and programs provided by the contractor, the client base to which the services and programs were provided by the contractor, and the contractor's expenditures for the services. The department shall submit the reports to the standard report recipients.

Sec. 914. Not later than June 1 of the current fiscal year, the department shall submit a report to the standard report recipients on outcomes of the funds provided in part 1 to the Michigan Clinical Consultation and Care program (MC3). The outcomes reported must include, but are not limited to, the number of same-day telephone consultations with primary care providers and the number of local resource recommendations made to primary care providers who are providing medical care to patients who need behavioral health services.

Sec. 915. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and opioid response activities, the department shall, to the extent possible, provide grants, pursuant to federal law, to local public entities that provide substance use disorder services and to 1 private entity that has a statewide contract to provide community-based substance use disorder services.

Sec. 916. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$100,000.00 as a grant to a nonprofit mental health clinic located in a county with a population between 290,000 and 300,000 according to the most recent federal decennial census that provides counseling services, accepts clients regardless of their ability to pay for services through sliding scale copayments and volunteer services, and uses fundraising to support their clinic.

Sec. 917. (1) From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$19,202,300.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to create or supplement opioid-related programs and services in a manner consistent with the opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

(2) From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$4,000,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to establish a peer recovery support services program for eligible participants by providing the services described under Healthcare Common Procedure Coding System (HCPCS) code H0038.

(3) On a semiannual basis, the department shall submit to the standard report recipients a report on all of the following:

(a) Total revenues deposited into and expenditures and encumbrances from the Michigan opioid healing and recovery fund since the creation of the fund.

(b) Revenues deposited into and expenditures and encumbrances from the Michigan opioid healing and recovery fund during the previous 6 months.

(c) Estimated revenues to be deposited into and the spending plan for the Michigan opioid healing and recovery fund for the next 12 months.

Sec. 918. On a quarterly basis, providing monthly data, the department shall submit a report to the standard report recipients on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program. The report must include information on the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, the number of cases in each eligibility group for each PIHP, and a year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include, as part of the Medicaid rate, state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other supports and services that the department determines are similar.

Sec. 922. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$600,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 66,000 and 67,000, according to the most recent federal decennial census, to administer an online and interactive version of the protected health information consent tool and make any revisions to the tool to reflect any recent legislative changes. The contracting entity that receives funds appropriated under this section shall also develop accompanying trainings and resources for users. Additionally, the contracting entity that receives funds appropriated under this section shall work closely with the Michigan Health Information Network Shared Services and the department to develop the technical specifications for integrating the protected health information consent tool with other relevant systems and applications, including, but not limited to, CareConnect360.

Sec. 924. From the funds appropriated in part 1, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a fee schedule for autism services reimbursement rates for direct services. Expenditures used for rate setting shall not exceed the rates identified in the fee schedule. The fee schedule must include a rate for behavioral technicians that is not less than \$66.00 per hour.

Sec. 926. (1) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$1,000,000.00 is allocated for a specialized substance use disorder detoxification project administered by a 9-1-1 service district in conjunction with a substance use and case management provider. The project must be located at a hospital within a 9-1-1 service district with at least 600,000 residents and 15 member communities and that is located within a county with a population of at least 1,500,000 according to the most recent federal decennial census.

(2) The substance use and case management provider receiving funds under this section shall collect and submit to the department data on the outcomes of the project throughout the duration of the project and the department shall submit a report on the project's outcomes to the standard report recipients.

Sec. 928. (1) Each PIHP shall provide, from the PIHP's internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. The local funds must not include either of the following:

(a) State funds received by a CMHSP for services provided to non-Medicaid recipients.

(b) The state matching portion of the Medicaid capitation payments made to a PIHP.

(2) Not later than April 1 of the current fiscal year, the department shall report to the standard report recipients on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 929. From the funds appropriated in part 1 for Michigan Clinical Consultation and Care, the department shall allocate at least \$350,000.00 to address needs in a city in which a declaration of emergency was issued because of drinking water contamination.

Sec. 935. A county required under 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 the county's 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. 940. (1) In accordance with section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify any CMHSP with a projected allocation surplus and to identify any CMHSP with a projected allocation shortfall. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate the projected surplus to a CMHSP with a projected allocation shortfall.

(2) A CMHSP that has its projected surplus reallocated during the current fiscal year as described in subsection (1) is not eligible for an additional funding reallocation during the remainder of the current fiscal year, unless the CMHSP is responding to a public health emergency as determined by the department.

(3) A CMHSP shall report to the department on a proposed reallocation described in this section at least 30 days before the reallocation takes effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for a reallocation described in subsection (1). Not later than February 1 of the current fiscal year, the department shall submit a report on the amount of funding reallocated in the previous fiscal year to the standard report recipients.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending a service provided by the CMHSP to a CMHSP client, unless the service is authorized by a physician and the service no longer meets established criteria for medical necessity.

Sec. 960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019.

(2) To restrain cost increases in the autism services line item, the department shall do all of the following:

(a) Not later than March 1 of the current fiscal year, develop and implement specific written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder administrative services, including, but not limited to, reporting requirements, coding, and reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative duplication at the PIHP, CMHSP, and service provider levels.

(b) Require consultation with the client's evaluation diagnostician and PIHP to approve the client's ongoing therapy for 3 years, unless the client's evaluation diagnostician recommended an evaluation before the 3 years or if a clinician on the treatment team recommended an evaluation for the client before the third year.

(c) Limit the authority to perform a diagnostic evaluation for Medicaid autism services to qualified licensed practitioners as determined by the department and CMHSPs.

(d) Allow and expand the utilization of telemedicine and telepsychiatry to increase access to diagnostic evaluation services.

(e) Coordinate with the department of insurance and financial services on oversight for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services, to ensure appropriate cost sharing between public and private payers.

(f) Require that Medicaid eligibility be confirmed through prior evaluations conducted by qualified licensed practitioners as determined by the department and CMHSPs.

(g) Maintain regular statewide provider trainings on autism spectrum disorder standard clinical best practice guidelines for treatment and diagnostic services.

(3) By March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on total autism services spending broken down by PIHP and CMHSP for the previous fiscal year and current fiscal year and total administrative costs broken down by PIHP, CMHSP, and the type of administrative cost for the previous fiscal year and current fiscal year.

Sec. 962. For special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to the children and adults described in this section.

Sec. 965. From the funds appropriated in part 1, the department and each PIHP shall maintain the comparison rate and any associated reimbursement rate of the bundled rate H0020 for the administration and services of methadone at not less than \$19.00.

Sec. 972. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate not less than \$9,386,400.00 of general fund/general purpose revenue and any associated federal match or federal grant funding, including, but not limited to, associated federal 988 grant funding for the mental health telephone access line known as the Michigan crisis and access line (MiCAL), to provide for both of the following in accordance with section 165 of the mental health code, 1974 PA 258, MCL 330.1165:

(a) Primary coverage in a region where a regional national suicide prevention lifeline center does not provide coverage.

(b) Statewide secondary coverage.

Sec. 974. The department and a PIHP shall allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to instead receive supports and services from another provider if the individual is eligible and qualified to receive supports and services from another provider. Other providers may include, but are not limited to, MiChoice and PACE.

Sec. 978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and recovery community organizations, the department shall allocate \$1,200,000.00 as grants for recovery community organizations in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b. A grant must be used to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders.

Sec. 995. (1) From the funds appropriated in part 1 for mental health diversion council, the department shall allocate \$3,850,000.00 to continue to implement the jail diversion pilot programs that are intended to address the recommendations of the mental health diversion council.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the planned allocation of the funds appropriated for the mental health diversion council.

(3) As used in this section, "mental health diversion council" means the council as that term is defined in section 207e of the mental health code, 1974 PA 258, MCL 330.1207e.

Sec. 996. From the funds appropriated in part 1 for family support subsidy, the department shall make monthly payments of \$300.36 to a parent or legal guardian of a child approved for the family support subsidy by a CMHSP.

Sec. 997. The department shall use population data from the most recent federal data from the United States Census Bureau in determining the distribution of substance use disorder block grant funds.

Sec. 998. If the department decides to use census data to distribute state general funds to CMHSPs, the department shall use the most recent federal data from the United States Census Bureau.

BEHAVIORAL HEALTH SERVICES

Sec. 1001. Not later than May 15 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report must also include the percentage of the operational budget that is related to program eligibility enrollment. Not later than February 15 of the current fiscal year, the department shall submit the reports described in this section to the standard report recipients.

Sec. 1002. (1) The department shall expand the certified community behavioral health clinic demonstration to include organizations that meets both of the following criteria:

(a) Are a current CMHSP or an eligible organization as defined in section 223(a)(2)(F) of the protecting access to Medicare act of 2014, Public Law 113-93, with a CCBHC grant from the federal substance abuse and mental health services administration for at least 1 year.

(b) Achieve CCBHC certification by meeting all state and federal requirements by September 1, 2024, unless otherwise specified in the CCBHC Demonstration Handbook.

(2) From the funds appropriated in part 1 for CCBHC administration, funding must be utilized to provide CCBHC outreach services to encourage a CMHSP or an eligible organization located in a county that does not already have a CCBHC to apply for CCBHC certification.

Sec. 1003. The department shall notify the Community Mental Health Association of Michigan when developing a policy or procedure that will impact a PIHP or CMHSP.

Sec. 1004. The department shall submit a report to the standard report recipients on any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before the department implements the formula change. The notification must include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. (1) From the funds appropriated in part 1 for health homes, the department shall maintain the number of behavioral health homes and maintain the number of substance use disorder health homes, in place by PIHP region as of September 30 of the previous fiscal year. The department may expand the number of behavioral health homes and the number of substance use disorder health homes in a PIHP region added after October 1 of the current fiscal year.

(2) On a semiannual basis, the department shall submit a report to the standard report recipients on the number of individuals being served and expenditures incurred by each PIHP region by site.

Sec. 1006. From the funds appropriated in part 1 for certified community behavioral health clinics, not later than May 1 of the current fiscal year the department shall submit to the standard report recipients an outcomes report for CCBHCs during the previous fiscal year that includes both statewide and CCBHC site-specific information on all of the following:

(a) The total number of distinct individuals served by the CCBHCs.

(b) The percentage of individuals served by the CCBHCs that were Medicaid recipients.

(c) The percentage of individuals served by the CCBHCs that were not Medicaid recipients.

(d) The total number of CCBHC daily visits.

(e) Total number of CCBHC services provided, broken down by the 9 core CCBHC services.

(f) Total expenditures from base and supplemental payments.

(g) Staffing and staff vacancy levels of the CCBHCs.

(h) The amount of prospective payment system rates for each CCBHC over the entire demonstration period allocated across the 9 service types.

(i) The total expenditures by CCBHC in the previous fiscal year.

(j) The total cost factors and implications in interpreting how CCBHCs deliver care over the course of the demonstration period.

(k) The comparison of costs for a random sample of enrollees between care provided by a CCBHC provider and a Medicaid provider that is not a CCBHC. The sample must include participants known to have received services at CCBHC providers and Medicaid providers that are not CCBHCs.

Sec. 1008. A PIHP and CMHSP shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to the direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must demonstrate, by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies must not be applied to PIHP and CMHSP net assets, internal service fund increases, building costs, increases in the number of PIHP and CMHSP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including, but not limited to, fair wages for direct service workers.

Sec. 1010. (1) The department shall use the funds appropriated in part 1 for behavioral health community supports and services to reduce waiting lists at state-operated hospitals and centers through cost-effective

community-based and residential services, including, but not limited to, assertive community treatment, forensic assertive community treatment, crisis stabilization units in accordance with chapter 9A of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL 330.1137a.

(2) From the funds appropriated in part 1 for behavioral health community supports and services, the department shall allocate \$30,450,000.00 to reimburse private providers for intensive psychiatric treatments and services that are provided outside of state-operated hospitals and centers and for support efforts related to overseeing community-based programs placement.

(3) If a private provider has an existing wait list for intensive psychiatric treatments and services, a reimbursement to the private provider under this section must not be conditioned on the private provider giving wait-list priority to individuals placed with funds appropriated in this section.

(4) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on all of the following:

(a) The types of community supports and services purchased.

(b) The quantity, measured by days or other relevant unit of service, of each community support and service purchased.

(c) The quantifiable impact of the purchase of community supports and services, including the number of individuals served, the number of successful discharges, and the number of re-escalations to either the discharging entity or a state psychiatric hospital.

Sec. 1011. From the funds appropriated in part 1 for behavioral health community supports and services, the department shall allocate \$400,000.00 to a qualified Yemeni nonprofit organization to provide communities with the best services suited to the communities according to their time and needs, with no prejudice, and regardless of religion, culture, or ethnic background. As used in this section, “qualified Yemeni nonprofit organization” means an organization that was established in 2000, is organized under the laws of this state, is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and has its administrative office located in a county with a population of at least 1,750,000 and in a city with a population between 109,000 and 110,000.

Sec. 1014. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). This state is not liable for any spending above the contract amount. The department shall not release funds until reporting requirements under section 1014 of article 6 of 2023 PA 119 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than \$1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to their competency and effectiveness as behavioral health and social service agencies.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, must include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. Not later than February 1 of the current fiscal year, the department must submit the annual reports to the standard report recipients.

Sec. 1015. From the funds appropriated in part 1 for federal mental health block grant, the department shall, to the extent possible, provide grants pursuant to federal law to local public entities that provide mental health services and to 1 private entity that has a statewide contract to provide community-based mental health services.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. 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. A portion of revenues collected through the project’s efforts may be used for departmental costs and contractual fees associated with retroactive collections under the project and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The department shall use gifts and bequests received for patient living and treatment environments for additional private funds to provide specific enhancements for individuals residing at state-operated facilities. The department shall use the gifts and bequests consistent with the stipulation of the donor. The department shall use gift and bequest donations within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement a closure or consolidation of a state hospital, center, or agency, until each CMHSP or PIHP affected by the closure or consolidation has programs and services in place for the individuals currently in the hospital, center, or agency that is to be closed or consolidated, and has a plan for providing services to the individuals who would have been admitted to the hospital, center, or agency.

(2) A closure or consolidation is dependent on adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in a facility described in subsection (1). A discharge and aftercare plan must address an individual's housing needs. A homeless shelter or similar temporary shelter arrangement is inadequate to meet an individual's housing needs.

(3) Four months after a closure is certified under section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the standard report recipients.

(4) On the closure of a hospital, center, or agency and after transitional costs have been paid, the remaining balances of funds appropriated for the hospital, center, or agency must be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the hospital, center, or agency.

Sec. 1056. 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 patient placement in state hospitals and centers. The department may 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 department shall use the revenue carried forward as a first source of funds in the subsequent year.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food and custodial services for the administrative areas at a state hospital identified by the department as capable of generating savings through the outsourcing of food and custodial services.

Sec. 1059. (1) The department shall identify specific outcomes and performance measures for state-operated hospitals and centers, including, but not limited to, the following:

(a) The average wait time from the time of the receipt of a court order for the treatment of an individual who is determined incompetent to stand trial until the individual's admission to the center for forensic psychiatry or other state-operated psychiatric facility.

(b) The average number of individuals determined not guilty by reason of insanity by an order of the probate court who, on the first day of each month, are waiting to receive admission into the center for forensic psychiatry or other state-operated psychiatric facility. The average described in this subdivision must be calculated based on the most recent 12 months.

(c) The average number of adults who, on the first day of each month, are waiting to receive admission into another state-operated hospital or center through the civil admissions process. The average described in this subdivision must be calculated based on the most recent 12 months.

(d) The average number of children who, on the first day of each month, are waiting to receive admission into another state-operated hospital or center through the civil admissions process. The average described in this subdivision must be calculated based on the most recent 12 months.

(e) The average wait time for an adult who is awaiting admission into another state-operated hospital or center through the civil admissions process. The average described in this subdivision must be calculated based on the most recent 12 months.

(f) The average wait time for a child who is awaiting admission into another state-operated hospital or center through the civil admissions process. The average described in this subdivision must be calculated based on the most recent 12 months.

(g) The number of individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of a probate court that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(h) The number of adults admitted through the civil admission process that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(i) The number of children admitted through the civil admission process that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(j) The most recent 12-month total number of individuals determined not guilty by reason of insanity by an order of the probate court ordering the individual to be admitted into the center for forensic psychiatry or other state-operated psychiatric facility.

(k) The most recent 12-month total number of adults requested to be admitted to a state-operated hospital or center through the civil admissions process.

(l) The most recent 12-month total number of children requested to be admitted to a state-operated hospital or center through the civil admissions process.

(m) The number of individuals determined not guilty by reason of insanity by an order of the probate court that were removed from the admissions waiting list and the reason for the removal from the admissions waiting list.

(n) The number of adults awaiting admission through the civil admission process removed from the admission waiting list and the reason for the removal from the admission waiting list.

(o) The number of children awaiting admission through the civil admission process removed from the admission waiting list and the reason for the removal from the admission waiting list.

(p) The number of individuals determined not guilty by reason of insanity by an order of the probate court and not admitted into the center for forensic psychiatry or other state-operated hospital or center, and the rationale for the individual not being admitted.

(q) The number of adults not admitted into the other state-operated hospitals or centers through the civil admissions process and the rationale for the individual not being admitted.

(r) The number of children not admitted into a state-operated hospital or center through the civil admission process and the rationale for the individual not being admitted.

(2) Not later than April 1 of the current fiscal year, the department shall submit a report to the standard report recipients of this part on the outcomes and performance measures required under subsection (1).

Sec. 1060. Not later than March 1 of the current fiscal year, the department shall submit a report on mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers to the standard report recipients. The report must include, but is not limited to, the following:

(a) The number of direct care and clinical staff positions that are currently vacant by hospital, and how that number compares to the number of vacancies during the previous fiscal year.

(b) A breakdown of voluntary and mandatory overtime hours worked by position and by hospital, and how that breakdown compares to the breakdown of voluntary and mandatory overtime hours during the previous fiscal year.

(c) The ranges of wages paid by position and by hospital, and how the ranges of wages paid compare to wages paid during the previous fiscal year.

Sec. 1061. (1) On a semiannual basis, the department shall report to the standard report recipients a status update on the construction of the new state psychiatric facility that will house both children and adults. The report must include, but is not limited to, an estimated timeline for completion and any obstacles that have caused a delay in construction progress.

(2) By September 30 of the current fiscal year, the department shall report to the standard report recipients a proposed transition plan for the transfer of children and adults currently residing at the Walter P. Reuther Psychiatric Hospital to the newly constructed state psychiatric facility. Additionally, the report must include a plan for either the future use or the demolition of the Walter P. Reuther Psychiatric Hospital, and an estimated cost for the proposed plan.

Sec. 1062. Not later than March 1 of the current fiscal year, the department shall provide an update on their 5-year plan from the fiscal year ending September 30, 2022 to address the need for adult and children's inpatient psychiatric beds to the standard report recipients. The report must include updated recommendations for utilizing both public and private partnership beds, including the following information:

(a) The recommended number of public adult beds for individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of the probate court versus the current number of available beds for this purpose.

(b) The recommended number of public civil admission adult beds versus the current number of available beds for this purpose.

(c) The recommended number of public civil admission children beds versus the current number of available beds for this purpose.

(d) The recommended number of public-private partnership adult beds for individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of the probate court versus the current number of available beds for this purpose.

(e) The recommended number of public-private partnership civil admission adult beds versus the current number of available beds for this purpose.

(f) The recommended number of public-private partnership civil admission children beds versus the current number of available beds for this purpose.

Sec. 1063. (1) From the funds appropriated in part 1 for Walter P. Reuther - psychiatric hospital - adult, children and adolescents, the department shall maintain a psychiatric transitional unit and children's transition support team. The unit and support team described in this subsection shall augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) The outcome and performance measures for the unit and support team described in subsection (1) include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the unit or support team at 30 and 180 days.

(b) The measured change in the Child and Adolescent Functional Assessment Scale for children served through the unit or support team.

HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES

Sec. 1140. From the funds appropriated in part 1 for primary care services, \$400,000.00 is allocated to free health clinics operating in this state. The department shall distribute the funds equally to each free health clinic. As used in this section, "free health clinic" means a nonprofit organization that uses a volunteer health professional to provide care to an uninsured individual.

Sec. 1143. From the funds appropriated in part 1 for primary care services, the department shall allocate no less than \$675,000.00 for island primary health care access and services including island clinics, in the following amounts:

(a) Beaver Island, \$250,000.00.

(b) Mackinac Island, \$250,000.00.

(c) Drummond Island, \$150,000.00.

(d) Bois Blanc Island, \$25,000.00.

Sec. 1145. The department shall take steps necessary to work with the Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities, that provide services under a contract with a Medicaid managed care entity to ensure that the facilities described in this section receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1146. From the funds appropriated in part 1 for domestic violence prevention and treatment, the department shall allocate \$1,000,000.00 to support programs that serve survivors of domestic violence, sexual violence, and human trafficking. The funds appropriated in this section must be allocated in the following manner:

(a) \$500,000.00 must be allocated to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that is located in a city with a population between 10,000 and 15,000 and in a county with a population between 35,000 and 36,900, according to the most recent federal decennial census. To be eligible for funding under this subsection, the nonprofit organization must be a statewide tribal domestic violence and sexual assault coalition serving the tribes located in this state.

(b) \$500,000.00 must be allocated to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, with a stated mission of being dedicated to the empowerment of all the state's survivors of domestic violence, sexual violence, and human trafficking and to develop and promote comprehensive efforts aimed at eliminating all forms of domestic and sexual violence, including human trafficking, in Michigan.

Sec. 1147. From the funds appropriated in part 1 for cellular therapy for Versiti Michigan, \$750,000.00 is allocated to Versiti Michigan. The funds must be used to enhance the collection of fetal umbilical cord blood and stem cells for transplant, expand cord blood laboratory capabilities, expand the diversity of collections, and build information technology infrastructure.

Sec. 1153. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$102,600.00 of state general fund/general purpose revenue for a sexual assault nurse examiners program at a hospital that is located in a city with a population between 21,600 and 21,700 in a county with a population between 64,300 and 64,400, according to the most recent federal decennial census. The funds allocated under this section must be used to support staff compensation and training, victim needs, and community awareness, education, and prevention programs.

Sec. 1155. (1) From the funds appropriated in part 1 for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission, the department shall allocate \$369,500.00 for administering a uniform statewide sexual assault evidence kit tracking system. The system must include all of the following:

(a) A uniform statewide system to track the submission and status of sexual assault evidence kits.

(b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through mechanisms that include, but are not limited to, web entry through computers or smartphones, and through scanning devices.

(2) The sexual assault evidence tracking fund established in section 1451 of 2017 PA 158 shall continue to be maintained in the department of treasury. Money in the sexual assault evidence tracking fund at the close of a fiscal year remains in the sexual assault evidence tracking fund, does not revert to the general fund, and is appropriated as provided by law for the development and implementation of a uniform statewide sexual assault evidence kit tracking system as described in subsection (1).

Sec. 1157. From the funds appropriated in part 1 for child advocacy centers - supplemental grants, the department shall allocate \$2,000,000.00 to provide additional funding to child advocacy centers to support the general operations of child advocacy centers. The department shall allocate the additional funding to each center according to the formula under this section. The department shall set a formula in consultation with children's advocacy centers of Michigan (CAC-MI) to allocate the additional funding. The formula must include base funding for each program and factors, such as the number of children in the service area, square miles of the service area, and prior service levels. The purpose of the additional funding is to increase the amount of services provided to children and their families who are victims of abuse over the amount provided in the previous fiscal year.

Sec. 1158. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$29,897,400.00 to supplement the loss of federal victims of crime act and state crime victim rights funding. The department must distribute the funds consistent with the regular allocation formula for crime victim justice grants and crime victim rights services grants.

Sec. 1159. (1) From the funds appropriated in part 1 for community health programs, the department shall support preventive health supports and services in regions with high health care access and outcome disparities. The department shall use the funds appropriated pursuant to this section to provide for all of the following:

(a) Financial support for the operation of community-based health clinics. A community-based health clinic shall provide preventive health supports and services, be established in communities with high social vulnerability and health disparities, and be operated in cooperation with trusted community partners with demonstrated experience in serving as an access point for preventive health supports and services.

(b) Financial support for the operation of healthy community zones. The healthy community zones must utilize long-term strategies to address access to healthy food, affordable housing, and safety networks.

(c) Financial support for the operation of mobile health units to provide preventive health supports and services for individuals residing in areas with high disparities in health care outcomes and access.

(2) Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the outcome of the community health programs described in subsection (1). The report must include, but is not limited to, all of the following:

(a) The list of communities served.

(b) The types of health services offered by grant recipients.

(c) A spending report from the grant recipients.

EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking water unit and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program must include improving the identification of children affected by lead exposure, improving the timeliness of case follow-up, and attaining nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks if appropriate. The goals of the vapor intrusion response unit must include reducing the number of individuals who are exposed to toxic substances through vapor intrusion and improving health outcomes for individuals who are identified as having been exposed to vapor intrusion.

Sec. 1182. Not later than April 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the expenditures and activities undertaken by the lead abatement program during the previous fiscal year using the funds previously appropriated for the healthy homes program. The report must include, but is not limited to, a funding allocation schedule, the expenditures by category of expenditure and by subcontractor, the revenues received, a description of program elements, the number of housing units abated of lead-based paint hazards by zip code, and a description of program accomplishments and progress.

Sec. 1186. (1) From the funds appropriated in part 1 for emergency medical services program, the department shall allocate \$2,000,000.00 for a stroke and STEMI system. The department shall integrate the stroke and STEMI system into the statewide trauma care system within the emergency medical services system and shall ensure that the stroke and STEMI system complies with at least all of the following requirements:

(a) A requirement that a facility is designated as a stroke and STEMI facility if the department verifies that national certification or accreditation standards for the facility have been met.

(b) A requirement that a hospital is not required to be designated as providing certain levels of care for stroke or STEMI.

(c) A requirement to develop and use stroke and STEMI registries that utilize nationally recognized data platforms with confidentiality standards.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the expenditures and activities undertaken by the stroke and STEMI system in the previous fiscal year from the funds appropriated under section 1186(1) of article 6 of 2021 PA 87. The report must include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by vendor or grantee, and a description of program accomplishments and progress.

(3) As used in this section:

(a) "STEMI" means an ST-elevation myocardial infarction.

(b) "Stroke and STEMI system" means a statewide stroke and STEMI system of care for time-sensitive emergencies.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. 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, must be used to reimburse local health departments for costs incurred to implement section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that participates in a district health department or has an associated arrangement with another local health department takes action to stop participating in that arrangement after October 1 of the current fiscal year, the department may 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. The department shall assess a penalty only if a county requests the dissolution of the county's local health department.

Sec. 1222. (1) The department shall prospectively allocate funds appropriated in part 1 for essential local public health services 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. The department shall consult with the department of agriculture and rural development before allocating funds for food protection under this section. The department shall consult with the department of environment, Great Lakes, and energy before allocating funds for public water supply, private groundwater supply, and on-site sewage management under this section.

(2) The department shall not distribute funds under subsection (1) to a county unless the county maintains local spending in the current fiscal year in an amount that is equal to or exceeds the amount the county expended in fiscal year 1992-1993 for the services described in subsection (1).

(3) Not later than February 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the planned allocation of the funds appropriated for essential local public health services.

(4) The department shall continue to implement the distribution formula for allocating essential local public health services funding to local health departments as specified in section 1234 of article X of 2018 PA 207.

(5) From the funds appropriated in part 1 for essential local public health services, each local public health department is allocated not less than the amount allocated to that local public health department during the previous fiscal year.

Sec. 1227. The department shall establish criteria for all funds allocated for health and wellness initiatives. The criteria must include a requirement that a program receiving funding is evidence-based and supported by research, includes interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and is designed for statewide impact. The department shall give preference to a program that uses the funding as match for additional resources, including, but not limited to, federal sources.

Sec. 1231. (1) From the funds appropriated for local health services, up to \$4,750,000.00 is allocated for grants to local health departments to support PFAS response and emerging public health threat activities. The department shall allocate a portion of the funding in a collaborative fashion with local health departments

in jurisdictions experiencing PFAS contamination. The department shall allocate the remainder of the funding to address infectious and vector-borne disease threats, and other environmental contamination issues, including, but not limited to, vapor intrusion, drinking water contamination, and lead exposure. The department shall allocate the funding to address issues including, but not limited to, staffing, planning and response, and creating and disseminating materials related to PFAS contamination issues and other emerging public health issues and threats.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on actual expenditures in the previous fiscal year and planned spending in the current fiscal year of the funds described in subsection (1). The report must include recipient entities, the amount of allocation, the general category of allocation, and detailed uses.

Sec. 1232. The department may work to ensure that the United States Department of Defense reimburses the state for costs associated with PFAS and environmental contamination response at military training sites and support facilities.

Sec. 1233. The department shall not expend general fund and state restricted fund appropriations in part 1 for PFAS and environmental contamination response if federal funding or private grant funding is available for the same expenditures.

Sec. 1239. The department shall participate in and give necessary assistance to the Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The department shall collaborate with MPART and other departments to carry out appropriate activities, actions, and recommendations as coordinated by MPART. Efforts must be continuous to ensure that the department's activities are not duplicative with activities of another department or agency.

Sec. 1240. From the funds appropriated in part 1 for chronic disease control and health promotion administration, \$70,000.00 is allocated to support a rare disease advisory council and the responsibilities of the rare disease advisory council, which may include all of the following:

(a) Developing a list of rare diseases.

(b) Posting the list of rare diseases on the department's website.

(c) Updating the list of rare diseases.

(d) Annually investigating and reporting to the legislature on 1 rare disease on the list, and including legislative recommendations in the report.

FAMILY HEALTH SERVICES

Sec. 1301. (1) Not later than April 1 of the current fiscal year, the department shall submit to the standard report recipients a report 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 must include information on all of the following:

(a) The funding allocations.

(b) The actual number of women, children, and adolescents served and the amounts expended for each group for the previous fiscal year.

(c) A breakdown of the expenditure of the 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) As used in this section, "rural community" means any of the following:

(a) A county, city, village, or township with a population of 30,000 or less.

(b) A county, city, village, or township described in subdivision (a), if it is located within a metropolitan statistical area.

Sec. 1302. From the funds appropriated in part 1 for special projects, the department shall allocate \$500,000.00 of TANF revenue to purchase child restraint systems for newborn children who are TANF eligible. The child restraint systems must meet the standards of all applicable federal law and the laws of this state, be purchased in volume by this state, and be distributed through maternal infant health program providers.

Sec. 1306. (1) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. The funds allocated under this section may be used to support any of the following activities:

(a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children's health care access program, and pathways to potential programming.

(d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.

- (e) Department local office operations costs.
- (f) Lead poisoning surveillance, investigations, treatment, and abatement.
- (g) Nutritional incentives provided to local residents through the double up food bucks expansion program.
- (h) Genesee County health department food inspectors to perform water testing at local food service establishments.

- (i) Transportation related to health care delivery.

- (j) Senior initiatives.

- (k) Lead abatement contractor workforce development.

- (l) Any other activity that the department considers appropriate.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$300,000.00 for Revive Community Health Center for health support services as the center pursues certification as a FQHC.

(3) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$500,000.00 for rides to wellness through the Flint mass transportation authority.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate not less than \$500,000.00 for evidence-based programs to reduce infant mortality. The funds must be used for enhanced support and education to nursing teams or other teams of health professionals that the department considers qualified, client recruitment in areas designated as underserved for obstetrical and gynecological services and in other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate not less than \$2,750,000.00 of state general fund/general purpose revenue for a rural home visit program. The department shall give equal consideration to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1313. (1) From the funds appropriated in part 1, the department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and to reduce alcohol consumption among pregnant women.

Sec. 1314. From the funds appropriated in part 1, the department shall enhance the department's education and outreach efforts that encourage women of childbearing age to seek the confirmation of a pregnancy at the earliest indication of a possible pregnancy and to initiate continuous and routine prenatal care on the confirmation of a pregnancy. The department shall ensure that the department's programs, policies, and practices promote prenatal and obstetrical care by doing all of the following:

- (a) Supporting access to care.

- (b) Reducing and eliminating barriers to care.

- (c) Supporting recommendations for best practices.

- (d) Encouraging optimal prenatal habits, including, but not limited to, prenatal medical visits, use of prenatal vitamins, and the cessation of tobacco use, alcohol use, or drug use.

- (e) Tracking birth outcomes to study improvements in prevalence of neonatal substance exposure, fetal alcohol syndrome, and other preventable neonatal disease.

- (f) Tracking maternal increase in healthy behaviors following childbirth.

Sec. 1315. From the funds appropriated in part 1 for dental programs, \$200,000.00 is allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

Sec. 1316. The department shall use revenue from permit fees for mobile dental facilities that the department receives under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the costs of processing and issuing permits for mobile dental facilities.

Sec. 1325. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate \$5,000,000.00 to support grants to local collaboratives to enhance the ability of local collaboratives to coordinate and improve maternal and infant health outcomes. To receive a grant under this section, a local collaborative must be a part of a perinatal quality collaborative.

Sec. 1341. The department shall use income eligibility and verification guidelines established by the Food and Nutrition Service agency of the United States Department of Agriculture to determine eligibility of individuals for the special supplemental nutrition program for women, infants, and children (WIC) as stated in current WIC policy.

Sec. 1343. (1) From the funds appropriated in part 1 for dental programs, the department shall allocate \$4,260,000.00 of state and local funds, plus any private contributions received to support the program, to establish and maintain the dental oral assessment program described in section 9316 of the public health code, 1978 PA 368, MCL 333.9316.

(2) Not later than December 31 of the current fiscal year, the department shall submit a report to the standard report recipients that provides a summary of the dental reports the department receives from principals and administrators under section 9316 of the public health code, 1978 PA 368, MCL 333.9316.

Sec. 1349. Subject to federal approval, from the funds appropriated in part 1 for immunization program, the department shall allocate all of the following funds to support a statewide media campaign for improving this state's immunization rates:

(a) \$740,000.00 of general fund/general purpose revenue.

(b) Any available work project funds.

(c) Any available federal match through a contract administered by the department with oversight from the behavioral and physical health and aging services administration and the public health administration.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1360. From the funds appropriated in part 1, the department may do 1 or more of the following:

(a) Provide special formulas for eligible individuals with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible individuals with cystic fibrosis who are 26 years of age or older.

(c) Provide medical care and treatment to eligible individuals with hereditary coagulation defects, commonly known as hemophilia, who are 26 years of age or older.

(d) Provide human growth hormone to eligible individuals.

(e) Provide mental health care to eligible individuals for mental health needs that result from, or are a symptom of, the individual's qualifying medical condition.

(f) Provide medical care and treatment to eligible individuals with sickle cell disease who are 26 years of age or older.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend the funds to continue developing and expanding telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life. As used in this section, "children's special health care services program" or "program" means the program established under section 5815 of the public health code, 1978 PA 368, MCL 333.5815.

AGING SERVICES

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organization that provides senior nutrition services to secure the food access of older adults.

Sec. 1404. From the funds appropriated in part 1 for community services, the department shall allocate \$658,000.00 to area agencies on aging for home and community-based services.

Sec. 1417. Not later than March 31 of the current fiscal year, the department shall submit to the standard report recipients a report that contains all of the following information:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detailed expenditures by each area agency on aging by individual program and administration, including both state-funded resources and locally funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, \$1,100,000.00 is allocated for locally determined needs that are provided by area agencies on aging.

HEALTH AND AGING SERVICES ADMINISTRATION

Sec. 1505. Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the actual reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third-party liability efforts in the previous fiscal year.

Sec. 1507. From the funds appropriated in part 1 for office of inspector general, the inspector general shall audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to health care providers. Unless authorized by federal law or a law of this state, the department shall not fine, temporarily halt operations of, disenroll as a Medicaid provider, or terminate a managed care organization or health care provider from providing services due to the discovery of an inappropriate payment found during the course of an audit.

Sec. 1512. From the funds appropriated in part 1, the department shall maintain the Medicaid encounter quality initiative report to separate nonclinical administrative costs from actual claims and encounter costs.

Sec. 1518. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, on the issuance of an order suspending the license of an adult foster care facility, home for the

aged, or nursing home, the department of licensing and regulatory affairs provides a notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house of representatives and senate that represent the legislative districts of the county in which the adult foster care facility, home for the aged, or nursing home is located.

HEALTH SERVICES

Sec. 1601. The department shall use the cost of remedial services incurred by residents of licensed adult foster care facilities and licensed homes for the aged to determine financial eligibility for the medically needy. As used in this section, "remedial services" includes, but is not limited to, basic self-care and rehabilitation training for a resident.

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

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$83.00 per month as an allowable expense against a recipient's income when determining Medicaid eligibility and patient pay amounts.

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

(2) Each qualifying applicant is 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 must be paid at the Medicaid fee-for-service rate if a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant must receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) If an applicant, presumed to be eligible for Medicaid under subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to the applicant is entitled to reimbursement for the services until the Medicaid physician or managed care plan is notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application under subsection (1) indicates that the applicant is not eligible for Medicaid, the department shall refer the 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 applicants covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall require that Medicaid managed care plans enroll women whose qualifying condition for Medicaid is pregnancy.

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

Sec. 1611. (1) For care provided to Medicaid recipients with other third-party sources of payment, Medicaid reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for Medicaid-only patients. The Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid copayment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. This section does not affect the level of payment from a third-party source other than the Medicaid program. The department shall require a nonenrolled provider to accept Medicaid payments as payment in full.

(2) Notwithstanding subsection (1), if a hospital service is provided to a dual Medicare/Medicaid recipient with only Medicare part B coverage, the Medicaid reimbursement must equal, when combined with a payment for Medicare or other third-party source of payment, the amount established for a Medicaid-only patient, including a capital payment.

Sec. 1620. (1) If a Medicaid claim is a fee-for-service Medicaid claim, the professional dispensing fee for a drug that is listed as a medication on the Michigan pharmaceutical products list is \$20.02 or the pharmacy's submitted dispensing fee, whichever is less.

(2) If a Medicaid claim is a fee-for-service Medicaid claim, the professional dispensing fee for a drug that is not listed as a specialty medication on the Michigan pharmaceutical products list is as follows:

(a) If the drug is indicated as preferred on the department's preferred drug list, \$10.80 or the pharmacy's submitted dispensing fee, whichever is less.

(b) If the drug is not on the department's preferred drug list, \$10.64 or the pharmacy's submitted dispensing fee, whichever is less.

(c) If the drug is indicated as nonpreferred on the department's preferred drug list, \$9.00 or the pharmacy's submitted dispensing fee, whichever is less.

Sec. 1626. (1) Not later than January 15 of the current fiscal year, each pharmacy benefit manager that receives reimbursements, either directly or through a Medicaid health plan, from the funds appropriated in part 1 for medical services must submit all of the following information to the department for the previous fiscal year:

- (a) The total number of prescriptions that were dispensed.
- (b) The aggregate fiscal year paid pharmacy claims repriced using the wholesale acquisition cost for each drug on its formulary.
- (c) The aggregate amount of rebates, discounts, and price concessions that the pharmacy benefit manager received for each drug on its formulary. The aggregate amount of rebates must include any utilization discounts the pharmacy benefit manager received from a manufacturer.
- (d) The aggregate amount of administrative fees that the pharmacy benefit manager received from all pharmaceutical manufacturers.
- (e) The aggregate amount identified in subdivisions (b) and (c) that were retained by the pharmacy benefit manager and did not pass through to the department or to the Medicaid health plan.
- (f) The aggregate amount of reimbursements the pharmacy benefit manager paid to contracting pharmacies.
- (g) Any other information considered necessary by the department.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report including the information provided under subsection (1) to the standard report recipients.

(3) Any nonaggregated information submitted under this section is confidential and must not be disclosed to any person by the department. The information described in this subsection is not a public record of the department.

Sec. 1628. From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, the department shall continue to allocate \$3,000,000.00 in general fund/general purpose revenue and any associated federal match to maintain the Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and outpatient hospitals. The funding provided in this section must be used to maintain the minimum rate of reimbursement for dental services provided in ambulatory surgical centers at \$1,495.00 and maintain the minimum rate of reimbursement for dental services provided in outpatient hospitals at \$2,300.00.

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

Sec. 1630. Not later than April 1 of the current fiscal year, from the funds appropriated in part 1 for Medicaid dental services, the department shall submit a report to the standard report recipients on the dental service benefit. The report must cover all of the following areas:

(a) Information on the implementation of the Adult Medicaid dental benefit redesign including all of the following information:

(i) The number of dental providers, by Medicaid health plan in this state, who provided 1 or more Medicaid dental services in the fiscal year ending September 30, 2022, and the number of additional providers who were added in the previous fiscal year, with a delineation in the reported numbers based on the average payment per visit and before and after the implementation of the Adult Medicaid dental benefit redesign.

(ii) The status of enhanced care coordination.

(iii) The array of covered dental benefits and services before the Adult Medicaid dental benefit redesign and how the available benefits and services changed or expanded after the Adult Medicaid dental benefit redesign.

(b) Information on the Healthy Kids Dental program including all of the following information:

(i) The number of children enrolled in the Healthy Kids Dental program who visited the dentist in the previous fiscal year broken down by dental benefit manager.

(ii) The number of dentists who accept payment from the Healthy Kids Dental program broken down by dental benefit manager.

(iii) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program broken down by dental benefit manager.

(iv) Service expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

(v) Administrative expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

Sec. 1631. (1) The department shall require copayments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal law or a law of this state.

(2) Except as otherwise prohibited by federal law or a law of this state, the department shall require Medicaid recipients to pay the following copayments:

(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) Two dollars for an outpatient hospital visit.

(e) One dollar for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$3.00 for a brand-name drug not indicated as preferred on the department's preferred drug list.

Sec. 1632. (1) From the funds appropriated in part 1 for Medicaid orthodontic benefit, the department shall provide medically necessary orthodontic care to individuals under the age of 21 who are living in Wayne County or Kent County. Interceptive orthodontic care provided under this section is limited to individuals with primary and transitional dentition with at least 1 of the following conditions: constricted palate, deep impinging overbite, Class III malocclusion, including skeletal Class III cases when a protraction facemask/reverse pull headgear is necessary at a young age, craniofacial anomalies, anterior cross bite, or dentition exhibiting results of harmful habits or traumatic interferences between erupting teeth. The department shall set a standard fee schedule based on commercial rates for the reimbursement of the following CDT codes: D8080, D8210, D8660, D8670, D8680, D8690, D8703, and D8704. For CDT codes D8010 through D8070, D8090, D8220, D8681, D8695 through D8702, and D8999, the department shall determine the appropriate reimbursement for services and procedures using the following criteria:

(a) Time required to perform the procedure.

(b) Degree of skill required in the procedure performed.

(c) Severity and complexity of the patient's dental disease or condition.

(d) Reimbursement rates of other third-party purchasers of dental services, both governmental and private.

(2) Funds appropriated for Medicaid orthodontic benefit are considered work project funds, do not lapse at the end of the fiscal year, and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide orthodontic care to eligible individuals.

(b) The work project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the work project is \$4,301,700.00.

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

(3) As used in this section, "CDT" means the code on dental procedures and nomenclature.

Sec. 1641. An institutional provider that is required to submit a cost report under the Medicaid program shall submit cost reports completed in full not more than 5 months after the end of the institutional provider's fiscal year.

Sec. 1644. (1) From the funds appropriated in part 1, the department shall increase wages by \$0.20 per hour to direct care workers more than the amount in effect from the previous fiscal year. This funding must include all costs incurred by the employer, including, but not limited to, payroll taxes, due to the wage increase. As used in this subsection, "direct care workers" means a registered professional nurse, licensed practical nurse, competency-evaluated nursing assistant, and respiratory therapist.

(2) From the funds appropriated in part 1, the department shall increase wages by \$0.20 per hour more than the amount in effect from the previous fiscal year to direct care workers who are employed by licensed adult foster care facilities and licensed homes for the aged and who provide Medicaid-funded fee-for-service personal care services that were not eligible for any direct care worker pay adjustment under Medicaid-funded managed care. This funding must include all costs incurred by the employer, including, but not limited to, payroll taxes, due to the wage increase.

Sec. 1645. (1) From the funds appropriated in part 1, the department shall maintain the wages of eligible nonclinical staff employed by skilled nursing facilities. The funding must include all costs incurred by the employer, including payroll taxes, due to prior wage increases.

(2) The nonclinical staff eligible for the wages described in subsection (1) are those whose costs are reported in the following job classifications in nursing facility institutional cost reports shared with the department:

(a) Other housekeeping.

(b) Other maintenance worker.

(c) Other plant operations.

(d) Other laundry.

(e) Dining room assistants.

(f) Other dietary workers.

(g) Other medical records.

(h) Other social services.

(i) Other diversion therapy.

(j) Beauty and barber.

(k) Gift, flower, coffee, and canteen worker.

Sec. 1646. From the funds appropriated in part 1, the department shall increase Medicaid reimbursement rates for orthotic and prosthetic providers to not less than 74% of Medicare reimbursement rates for similar equipment and services.

Sec. 1650. From the funds appropriated in part 1 for special Medicaid reimbursement, \$3,500,000.00 of general fund/general purpose revenue must be distributed to a university located in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census, that has a college of allopathic medicine and a college of osteopathic medicine. The purpose of this project is to ensure continued access to medical care for indigents and increase the efficiency and effectiveness of medical practitioners providing services to Medicaid beneficiaries under managed care.

Sec. 1657. (1) The department shall not make reimbursement for Medicaid to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room, 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 shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1662. (1) From the funds appropriated in part 1, the department shall require an annual external quality review of each contracting HMO. The external quality review must analyze and evaluate aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries. The department shall create a report containing each quality review required under this subsection.

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

(3) The department shall submit a copy of the analysis of the Medicaid HMO annual audited reports on HEDIS and the report under subsection (1) to the standard report recipients within 30 days after the department's receipt of the final information required from the 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 an income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of applying for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the behavioral and physical health and aging services administration public concurrence process. The eligibility criteria must be consistent with the provisions of this part and part 1.

(2) The department shall provide up to 1 year of continuous eligibility to a child eligible for the MICHild program unless the child reaches age 19.

Sec. 1677. From the funds appropriated in part 1 for the MICHild program, the department shall provide, at a minimum, all benefits available under the Michigan benchmark 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 use disorder 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 use disorder services, including services furnished in a mental hospital operated by this state 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 use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder 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. 1682. (1) 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 Medicaid certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

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

(3) Not later than March 1 of the current fiscal year, the department shall report to the standard report recipients on penalty money received by the department as described in subsection (1). The report must include, but is not limited to, the following information:

(a) The amount of penalty monies received by the department in the previous fiscal year listed by the assessed entity.

(b) A list of the entities that were assessed penalties in the previous fiscal year with the rationale for each penalty.

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 agreements described in this subsection and pursuant to federal law and a law of this state.

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

(a) Finance activities within the behavioral and physical health and aging services administration related to eligible services.

(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 Medicaid program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a Medicaid 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.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$2,628,500.00 of general fund/general purpose revenue and any associated federal match must be distributed for poison control services to an academic health care system that has a high volume of providing care to indigent individuals.

Sec. 1697. The department shall require that Medicaid health plans administering Healthy Michigan plan benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

Sec. 1700. Not later than December 1 of the current fiscal year, the department shall report to the standard report recipients on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) GME.

(b) Special rural hospital payments provided under section 1802(1)(b) of this part.

(c) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802(1)(a) of this part.

Sec. 1702. From the funds appropriated in part 1, the department shall allocate \$2,830,000.00 in general fund/general purpose revenue and any associated federal match to increase the rates in place as of September 30, 2023 for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically fragile individuals can be cared for in the most homelike setting possible.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements. The department shall provide to the standard report recipients a copy of the rate certification required under this section and the approval of rates paid to Medicaid health plans and specialty PIHPs for any fiscal year not later than October 1 for Medicaid capitation rate certifications and not later than February 15, May 15, and August 15 for any Medicaid capitation rate amendments. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated materially impacts the capitation rates that have been certified.

Sec. 1775. From the funds appropriated in part 1, by not later than March 1 of the current fiscal year, the department shall provide a report to the standard report recipients on the transition of the MI Health Link

program to an integrated dual eligible special needs plan (D-SNP) required by Medicare Advantage and Part D Final Rule (CMS-4192-F). The report must include all of the following:

- (a) The status of any extension received from CMS for the MI Health Link demonstration.
- (b) The amount and fund source of realized or anticipated transition costs by fiscal year.
- (c) The status of the transition, by MI Health Link service region and by individual county within a region.
- (d) A summary of the efforts taken to engage beneficiaries, stakeholders, and health plans in the transition process.
- (e) A summary of necessary Medicaid contractual and policy changes related to D-SNP contracting, including any carve-outs that will be proposed.
- (f) A summary of the eligibility guidelines and covered benefits proposed in the D-SNP transition, including a comparison of long-term services and supports, home- and community-based services and behavioral health services as of September 30, 2024, and in the proposed D-SNP.
- (g) A verification of the inclusion of the most important aspects of the MI Health Link into any D-SNP proposal, including, but not limited to, the following:
 - (i) \$0.00 copayments and deductibles for all covered services.
 - (ii) Access to a care coordinator for care navigation and care planning.
 - (iii) A single card for all Medicare and Medicaid services.

Sec. 1786. From the funds appropriated in part 1, the department shall maintain Medicaid reimbursement for the administration of injectable and oral vaccines at \$23.03.

Sec. 1787. From the funds appropriated in part 1 for health plan services, Healthy Michigan Plan, and long-term care services, the department shall allocate \$1,500,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates for CPT codes 31579, 92507, 92508, 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607, 92608, 92609, 92610, 92630, 92633, 92700, 94010, 97129, 97130, 97533, 97799, G2250, G2251, and S9152.

Sec. 1788. From the funds appropriated in part 1, the department shall provide Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider quality assurance assessment, for ground ambulance services at not less than 100% of the Medicare base rates for Locality 01 for ground ambulance services in effect on January 1, 2023.

Sec. 1789. From the funds appropriated in part 1 for federally qualified health centers, the department shall allocate \$11,300,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid prospective payment system reimbursement rates.

Sec. 1790. The department shall maintain the current practitioner rates paid for CPT codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service and through the comprehensive Medicaid health plans for psychiatric procedures provided for Medicaid recipients under the age of 21.

Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 100% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The neonatal services and physician services eligible for reimbursement rates under this section are described as CPT codes 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1794. (1) From the funds appropriated in part 1, the department shall provide Medicaid reimbursements for hospital-based substance use disorder peer-supports.

(2) Not later than March 1 of the current fiscal year, the department shall report to the standard report recipients on the statewide amounts and each hospital amount for hospital-based substance use disorder peer-supports during the first quarter of the current fiscal year, including for all of the following:

- (a) The number of individuals served.
- (b) The Medicaid reimbursement utilization.
- (c) The total expenditures.

Sec. 1801. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. The department shall not provide the increase to Medicaid rates under this section to primary care providers whose primary practice is as a non-primary-care subspecialty. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only. As used in this section, "primary care provider" means a physician, or a practitioner working in collaboration with a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and who works as a primary care provider in general practice or is board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or is a provider who provides the department with documentation of equivalency.

Sec. 1802. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall provide for the following:

(a) \$8,470,200.00 in general fund/general purpose revenue as lump-sum payments to noncritical access hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care this fiscal year. Payment amounts must be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. The department shall make payments not later than January 1 of the current fiscal year. For the current fiscal year, a hospital that met established occupied bed criteria based on Medicaid cost reports as of the fiscal year ending September 30, 2011, and that is located within a county with a population of not more than 165,000 and within a city, village, or township with a population of not more than 16,000, according to the 2000 federal decennial census, is eligible.

(b) \$15,204,800.00 in general fund/general purpose revenue and any associated federal match awarded as rural access payments to noncritical access hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the criteria established by the department under this subsection must be assistance with labor and delivery services. A hospital that met established occupied bed criteria based on Medicaid cost reports as of the fiscal year ending September 30, 2011, and that is located within a county with a population of not more than 165,000 and within a city, village, or township with a population of not more than 16,000 according to the 2000 federal decennial census is eligible solely for the rural access pool general fund/general purpose revenue portion.

(2) Payments under this section must be made by January 1 of the current fiscal year.

(3) The department shall publish the distribution of payments for the current fiscal year and the previous fiscal year.

Sec. 1804. The department may utilize the federal public assistance reporting information system to continue to work to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits and shall continue to refer veterans to the department of military and veterans affairs for assistance in securing additional benefits.

Sec. 1805. The department shall modify Medicaid policy in the Medicaid Manual, Nursing Facility Chapter, Certification, Survey and Enforcement Appendix, Section 2.3 and submit a Medicaid state plan amendment to CMS to seek approval to allow the department to approve or deny any application seeking Medicaid bed certification and provider enrollment for dual certification of Medicare-only beds. The modified Medicaid policy must replace the current certification criteria. The modified Medicaid policy must provide that the department grant Medicaid bed certification if the application meets all of the following:

(a) A verification from the state survey agency that the beds listed in the applications are Medicare-certified.

(b) The state survey agency finds that the facility named in the application is in substantial compliance with federal regulations at the time of application.

(c) If there is an accepted submitted plan of correction for any survey activity occurring following the date of the application submission, the facility named in the application will be deemed to have satisfactory survey performance.

Sec. 1810. In advance of the annual rate setting development, Medicaid health plans must be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. Not later than June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education or through the MiDocs consortium. The report shall be submitted to the standard report recipients.

Sec. 1820. (1) In order to avoid duplication of effort, if a Medicaid health plan has been reviewed and accredited by a national accrediting entity for health care services, the department shall use applicable national accreditation review criteria to determine compliance with corresponding requirements in this state.

(2) The department shall continue to comply with federal law and laws of this state and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, "national accrediting entity" means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or another appropriate entity, as approved by the department.

Sec. 1830. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$5,000,000.00 to support prenatal health care providers operating in this state to provide services for existing group-based prenatal care programs that include 1 or more health care professionals leading small groups of expectant mothers – in the same phase of pregnancy – in discussions and other health services that promote the well-being and health of mothers and babies.

Sec. 1831. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$10,000,000.00 to continue to support hospitals in this state to improve maternal safety and outcomes by administering and expanding a data-driven maternal safety and quality improvement initiative that is based on interdisciplinary and consensus-based practices. The initiative expansion must focus on mitigating pregnancy-associated injury and death, work to improve outcomes for underserved groups, and address problems related to substance use disorders.

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

(c) The training of practitioners providing pediatric psychiatry services.

Sec. 1850. The department may allow Medicaid health plans to assist with maintaining eligibility through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. The assistance may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Medicaid health plans may offer assistance in completing paperwork for beneficiaries enrolled in the Medicaid health plan.

Sec. 1854. The funds appropriated in part 1 for PACE must support a current fiscal year enrollment cap that is not less than 8,543.

Sec. 1855. From the funds appropriated in part 1 for PACE, to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for a local and already-established PACE if the local PACE has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) From the funds appropriated in part 1 for hospice services, \$5,000,000.00 shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. An eligible grant applicant may inform the department of the applicant's request to reduce the grant amount allocated for the applicant's residence and the funds must be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) Not later than September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report must be provided in a format prescribed by the department and must include the following information:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding.

(3) If funds awarded under this section remain unused at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return those unused funds to this state.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to the Michigan Association of Health Plans and Medicaid health plans or any vendor considered qualified by the department to perform research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$11,000,000.00 in general fund/general purpose revenue, of which \$4,600,000.00 is allocated on a 1-time basis, plus any contributions from public entities, up to \$5,000,000.00, and any associated federal

match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by the MiDocs consortium shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency with the exception of a child and adolescent psychiatry fellowship that must be integrated with a psychiatry residency training program in a MiDocs consortium affiliated institution.

(4) The MiDocs consortium shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) The department shall maintain the MiDocs consortium initiative advisory council to help support implementation of the program described in this section, and to provide oversight. The advisory council must be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(6) Not later than September 1 of the current fiscal year, the MiDocs consortium shall submit a report to the standard report recipients that includes all of the following information:

(a) Audited financial statement of per-resident costs.

(b) Education and clinical quality data.

(c) Roster of trainees, including areas of specialty and locations of training.

(d) Medicaid revenue by training site.

(7) The department shall monitor outcome and performance measures for this program, including, but not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to the required training through rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(8) Unexpended and unencumbered funds up to a maximum \$11,000,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for the MiDocs consortium to create new primary care residency slots in underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is \$29,400,000.00.

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

Sec. 1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 1874. The department shall ensure, in counties where PACE services are available, that PACE is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. The department must include approved marketing and discussion materials for options counseling.

Sec. 1879. Not later than May 15 of the current fiscal year, the department shall submit to the standard report recipients a report with Medicaid pharmaceutical information. The report shall include, for the previous fiscal year, the total Medicaid pharmaceutical costs and the total Medicaid pharmaceutical rebates.

The report must categorize the total Medicaid pharmaceutical costs and total Medicaid pharmaceutical rebates recognized by the contracted health plans and the department. In addition, the report must also include all of the following information:

(a) The total estimated pharmaceutical benefit expenses incurred by contracted health plans from the previous fiscal year and through the first 2 quarters of the current fiscal year.

(b) The total estimated pharmaceutical benefit expenses included in approved initial rates for contracted health plans from the previous fiscal year and total estimated pharmaceutical benefit expenses included in approved initial rates for contracted health plans for the first 2 quarters of the current fiscal year.

(c) The total Medicaid pharmaceutical rebates received by the department in the previous fiscal year and the single preferred drug list supplemental rebates invoices in the previous fiscal year.

(d) Information as to whether the average benefit expense for the composite average across all rate cells and service categories included in capitation rates, based on actual enrollment and anticipated recoveries, for the previous fiscal year and through the first 2 quarters of the current fiscal year exceeded the reported contracted health plan's experience, adjusted for completion over the same reporting periods.

(e) The following information related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(i) The number of prescriptions paid by the department during the previous fiscal year.

(ii) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year.

(iii) The number of and total expenditures for prescriptions paid by the department for generic equivalents during the previous fiscal year.

Sec. 1880. The department shall align all pharmacy-related policies with the United States Food and Drug Administration quality and clinical standards. Any single preferred drug list utilization management criteria will be established in consultation with the Medicaid health plans and the Michigan pharmacy and therapeutics committee described in section 9705 of the public health code, 1978 PA 368, MCL 333.9705, with consideration given to applicable United States Food and Drug Administration dosing guidelines, subsequent evidence-based literature or studies, and current treatment guidelines.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months before the implementation of those standards. The determination of whether performance standards have been met must be based primarily on recognized concepts such as 1-year continuous enrollment and the health care effectiveness data and information set, HEDIS, audited data.

INFORMATION TECHNOLOGY

Sec. 1901. (1) The department shall submit a report on a semiannual basis to the standard report recipients that lists the projects approved in the previous 6 months and provides the purpose for approving each project including any federal, state, court, or legislative requirement for each project.

(2) Once an award for an expansion of information technology is made, the department shall submit a report to the standard report recipients that provides the projected cost of the expansion broken down by use and type of expense.

Sec. 1903. (1) Not later than November 1 of the current fiscal year, the department shall submit a report to the standard report recipients that describes the status of an implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The report must include, but is not limited to, an update on the status of the settlement and efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall submit on a quarterly basis a report to the standard report recipients on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report must provide details on the planning, implementation, and operation of the MiSACWIS, including, but not limited to, all of the following:

(a) Areas where implementation went as planned, and in each area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(b) The number of known issues.

(c) The average number of help tickets submitted per day.

(d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.

(e) Any contract revisions to address known issues and volume of help tickets.

(f) Other strategies undertaken to improve implementation, and for each strategy area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

- (g) Progress in developing cross-system trusted data exchange with the MiSACWIS.
- (h) Progress in moving away from a statewide automated child welfare information system to a comprehensive child welfare information system.
- (i) Progress in developing and implementing a program to monitor data quality.
- (j) Progress in developing and implementing custom integrated systems for private agencies.
- (k) A list of all change orders, planned or in progress.
- (l) The status of all change orders, planned or in progress.
- (m) The estimated costs for all planned change orders.
- (n) The estimated and actual costs for all change orders in progress.
- (3) Not later than July 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the department's efforts and recommendations to develop and implement a simpler and more streamlined process for the annual renewal of the licenses for family foster care homes, and the development of a simpler and more efficient version of the application form for renewal of the licenses for family foster care homes.

Sec. 1906. From the funds appropriated in part 1 for information technology services and projects, the department shall allocate \$1,750,000.00 general fund/general purpose revenue, and all associated federal matching revenue, to a public and private nonprofit collaboration that is designated as this state's statewide health information exchange by cooperative agreement, to implement health information technology strategies for health information exchange development, data management, and population health at a statewide level.

Sec. 1909. (1) From the funds appropriated in part 1 for child support automation, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the Michigan child support enforcement system.

(2) From the funds appropriated in part 1 for bridges information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of Bridges and MIBridges.

(3) From the funds appropriated in part 1 for Michigan Medicaid information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the community health automated Medicaid processing system.

(4) From the funds appropriated in part 1 for Michigan statewide automated child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of MiSACWIS.

(5) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements to the comprehensive child welfare information system.

(6) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall continue development of a new information system to replace MiSACWIS consistent with the plan provided by the department to the United States District Court for Eastern District of Michigan as a part of the settlement. The development of the comprehensive child welfare information system must adhere to department of technology, management, and budget and information technology investment fund (ITIF) policies and practices, including use of the state unified information technology environment methodology and agile development. The project team shall also participate in and comply with the enterprise portfolio management office process and product quality assurance. To ensure full transparency, the project must be included in the ITIF portfolio for executive, legislative, and external reporting purposes. As a component of the ITIF portfolio, the project is subject to governance and oversight by the information technology investment management board.

Sec. 1910. From the funds appropriated in part 1, \$532,841,400.00 is appropriated for information technology services and projects including:

- (a) \$114,678,900.00 for bridges information system.
- (b) \$21,555,400.00 for Michigan statewide automated child welfare information system.
- (c) \$102,482,000.00 for Michigan Medicaid information system.
- (d) \$44,243,200.00 for child support automation.
- (e) \$8,274,700.00 for comprehensive child welfare information system.

ONE-TIME APPROPRIATIONS

Sec. 1920. From the funds appropriated in part 1 for ALS services, the department shall allocate \$745,100.00 to the ALS Association to provide free ALS care services including, but not limited to, in home visits, caregiver training, support groups, durable medical equipment, and respite care. As used in this section, "ALS" means amyotrophic lateral sclerosis.

Sec. 1921. From the funds appropriated in part 1 for emergency medical services program, the department shall allocate \$500,000.00 to develop and implement a system to support ground emergency medical transport. Funding must be used to develop a system for obtaining and recording federal Medicaid funding for the program. The department may apply for federal funds to support the program.

Sec. 1922. From the funds appropriated in part 1 for behavioral health care services and facilities, the department shall allocate \$1,000,000.00 for a public-private partnership to open a behavioral health center with no fewer than 40 inpatient beds during phase I of operation and no fewer than 100 inpatient beds during phase II of operation. The behavioral health center must be located in a city with a population between 2,500 and 20,000 located in a county with a population between 96,000 and 103,000 according to the most recent federal decennial census.

Sec. 1923. (1) From the funds appropriated in part 1 for walk-in crisis center relocation, the department shall allocate \$2,392,000.00 to a nonprofit organization established under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that currently operates a walk-in crisis center as defined by the department, and has operated a walk-in crisis center since 2016 in a county with a population greater than 1,500,000 according to the most recent federal decennial census. The nonprofit organization's current facility must be licensed by this state and accredited by a nationally recognized health-related accrediting organization.

(2) The unexpended funds appropriated in part 1 for walk-in crisis center relocation are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to acquire property, prepare the property for construction, and design, construct, and equip a new facility on the property to be owned and operated by the nonprofit organization.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$2,392,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1924. (1) From the funds appropriated in part 1 for behavioral health urgent care, the department shall allocate \$1,700,000.00 as a grant to a nonprofit organization that is organized under the laws of this state, is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, is located in a city with a combined population greater than 100,000 that is located in a county with a population between 280,000 and 290,000, according to the most recent federal decennial census, and that has a mission to help people in crisis by offering hope, healing, and recovery. The grant must be used to support the establishment of a behavioral health urgent care program.

(2) The unexpended funds appropriated in part 1 for behavioral health urgent care are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide funds for behavioral health urgent care services, including mental health assessments, psychiatric evaluations, short term prescriptions, intervention and therapy, and care coordination with ongoing health providers.

(b) The project will be accomplished by a nonprofit organization exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(c) The estimated cost of the project is \$1,700,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1925. From the funds appropriated in part 1 for firefighter health care, the department shall allocate \$3,500,000.00 for health screenings for firefighters.

Sec. 1926. From the funds appropriated on part 1 for child advocacy centers, the department shall allocate \$2,000,000.00 to support the expansion of services provided by child advocacy centers. The department must distribute the funds consistent with the regular allocation formula for child advocacy centers.

Sec. 1928. (1) From the funds appropriated in part 1 for community mental health data platform, the department shall allocate \$500,000.00 to the PIHP of Region 7 to implement a pilot project for a cloud-native, real-time software platform that aggregates, unifies, and makes available the longitudinal member data, which includes physical health, behavioral health, social determinants of health, and operational data for Medicaid beneficiaries in PIHP Region 7 as determined by the department.

(2) In order to be eligible to receive funds under this section, the PIHP implementing the pilot project must provide \$1.00 of matching funds for every \$1.00 of state funding received.

(3) The software platform funded under this section must do all of the following:

(a) Create a single patient-centric core data environment that unifies medical, behavioral, social determinants of health, and operational data, to provide real-time actionable interventions to Medicaid managed care organizations and CMHSPs in PIHP Region 7.

(b) Identify National Committee for Quality Assurance HEDIS certified and CMS care gaps daily.

(c) Create features across the total population to enable predictive models.

(d) Enable data sharing between Medicaid managed care organizations when Medicaid beneficiaries change Medicaid health plans.

(e) Utilize an intelligent, rule-based system to proactively share the at-risk information with Medicaid managed care organizations and CMHSPs in real-time for an action that will propagate into the Medicaid managed care organizations and CMHSPs internal systems, and that the Medicaid managed care organizations and CMHSPs must make available to providers.

(f) Deidentify beneficiary data.

(4) Medicaid managed care organizations and CMHSPs in PIHP Region 7 must provide daily data feeds to the software platform that contain essential clinical data, including claims, prescriptions, and labs.

(5) This state's statewide health information exchange must provide, at a minimum, daily data feeds that contain information on admissions, discharges, and transfers to the software platform described in subsection (1).

Sec. 1929. (1) From the funds appropriated in part 1 for certified community behavioral health clinics study, the department shall allocate \$250,000.00 to complete a comprehensive quantitative spatial analysis to evaluate cannibalization effects on existing enrolled locations of community behavioral health clinics. The purpose of this evaluation is to provide actionable insights into the extent of cannibalization and inform strategic decision-making processes related to site selection, network optimization, and future certified community behavioral health clinic expansion. The comprehensive quantitative spatial analysis shall include, but not be limited to, the following:

(a) Inclusion of geographic information system (GIS) methodologies and statistical analysis techniques to define catchment area and participant volume for existing clinics for the periods before and after expansions and forecasted amounts for newly added clinics.

(b) The analysis will involve geocoding existing clinic locations, spatially joining demographic and participant data, performing buffer and overlap analysis, regression modeling, and validating results against historical data for the period before and after clinic expansion.

(2) As used in this section, "cannibalization effects" means the change in participant volume due to marginal expansion of additional clinic sites within the same relative geographic area.

Sec. 1930. From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$25,000,000.00 in grants from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, as follows:

(a) \$3,000,000.00 to a nonprofit organization that is organized under the laws of this state, that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that currently has 50 permanent supportive recovery apartments located in a city with a population between 31,000 and 32,000 according to the most recent federal decennial census, to expand long-term housing for recovering patients and their families into additional communities.

(b) \$3,620,000.00 to a nonprofit organization that is organized under the laws of this state, that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population greater than 10,000 that is located in a county with a population between 36,500 and 36,850, according to the most recent federal decennial census, to expand a women's recovery center that provides residential substance use disorder services, behavioral and physical health care, social services, and housing assistance.

(c) \$2,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and with a headquarters in a charter township with a population between 100,000 and 105,000 in a county with a population between 700,000 and 1,000,000, according to the most recent federal decennial census. To receive funding under this subdivision, the nonprofit organization must have a stated mission to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, to their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(d) \$2,000,000 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that has a business office address located in a city with a population between 76,500 and 83,000 and in a county with a population between 900,000 and 1,300,000, according to the most recent federal decennial census. To be eligible for funds under this subdivision, the nonprofit organization must have a stated vision to promote community awareness of what is needed for long-term remission from substance use disorders and be a resource to connect to the appropriate level of care. The funds allocated under this subdivision must be used to support a residential substance abuse treatment program and a sober living program.

(e) \$1,880,000.00 to supplement grants to recovery community organizations under section 978.

(f) \$2,000,000.00 for tribal communities, with the distribution method and types of uses of these funds determined in collaboration with the United Tribes of Michigan and each sovereign nation.

(g) \$10,000,000.00 to department-designated community mental health entities for regional specific programming and supports to be used in collaboration with municipal opioid settlement funds.

Sec. 1932. (1) From the funds appropriated in part 1 for substance use treatment center, the department shall appropriate \$2,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population between 96,000 and 600,000 and located in a county with a population greater than 1,500,000, according to the most recent federal decennial census. The nonprofit, community-based organization must be a licensed mental health and substance use treatment provider with a stated mission to empower communities to improve their health and their economic, social, and cultural well-being.

(2) The unexpended funds appropriated in part 1 for substance use treatment center are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase, renovate, and equip a disused medical office building or for costs related to the construction and capital improvements of a facility to provide comprehensive outpatient substance use disorder treatment services.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1933. From the funds appropriated in part 1 for Medicaid outreach, the department shall allocate \$500,000.00 in general fund/general purpose revenue and any associated federal match to enhance Medicaid health plan outreach to improve access and utilization of Medicaid covered services in partnership with the National Kidney Foundation of Michigan. The funds under this section must also support outreach efforts by the Morris Hood III Chronic Kidney Disease and COVID-19 Complications Prevention Initiative to identify, educate, and prevent chronic kidney disease in high-risk populations and regions.

Sec. 1934. (1) From the funds appropriated in part 1 for complex medical condition center, the department shall allocate \$500,000.00 as a grant to a nonprofit organization that operates 2 facilities where children up to age 26 with weak immune systems can fulfill their social, emotional, and physical needs. One facility must be located in a county with a population between 600,000 and 700,000 and 1 facility must be located in a township with a population between 55,000 and 60,000, according to the most recent federal decennial census. The facilities must provide safe and infection-controlled environments consisting of MERV 14 air filtration, building pressurization, antimicrobial surfaces, and other hospital-grade features. Programming must be specifically designed for children with complex medical conditions and their immediate family to interact socially and to feel a sense of belonging through the use of therapeutic, evidence-based, and organizational-led activities targeted to address both behavioral and physical health outcomes.

(2) The nonprofit organization identified under subsection (1) shall partner with the largest provider-owned nonprofit Medicaid health maintenance organization headquartered in the same county for which the nonprofit organization is providing services to identify and enroll qualifying children up to age 26 for programmatic services. The provider-owned nonprofit Medicaid health maintenance organization shall be responsible for the collection of data and metric identification for each of the enrollees, including, but not limited to, utilization trends and health outcomes associated with isolation and loneliness, mental health concerns, emergency department visits, and hospitalizations. The nonprofit organization may also contract with any other willing Medicaid health maintenance organization to support the mission of improving children's health.

(3) The provider-owned nonprofit Medicaid health maintenance organization shall create and utilize a new pilot program code to track the metrics identified in subsection (2). This pilot program code must encompass a group of services provided by the nonprofit organization, some of which align with existing reimbursable service codes such as care management and group therapy already authorized under this state's Medicaid program, and select other services, including, but not limited to, play therapy, parent support services, and transportation services.

(4) Not later than September 30 of the current fiscal year, the grant recipient under this section shall submit a report to the department that demonstrates the effectiveness of the program in fulfilling the social, emotional, and physical needs of the patients served by the grant recipient. This report must include the data and metrics identified in subsection (2).

(5) The department shall explore developing a Medicaid state plan amendment that if approved would support services offered under this program.

Sec. 1935. (1) From the funds appropriated in part 1 for adult home help care supports, the department shall expend \$1,000,000.00 in state general fund/general purpose revenue and any associated federal match to support the development of an adult home help caregiver registry.

(2) With the funds appropriated in part 1 for adult home help care supports, the department may also support the creation of a home help caregiver council, which may advise on the development and operation of the registry. Once established, the home help caregiver council could provide supportive services to Medicaid enrollees, their families, and adult home help caregivers. Supportive services may include any of the following:

- (a) Adult home help enrollee and caregiver program orientation.
- (b) Adult home help caregiver training.
- (c) Support to families making use of the adult home help program in identifying qualified caregivers.

(3) The unexpended funds appropriated in part 1 for adult home help care supports are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the development of a caregiver registry that will support the recruitment of adult home help caregivers, provide information to caregivers about available training and educational opportunities, and match adult home help program recipients with caregivers and may also include costs associated with the creation of an adult home help caregiver council.

(b) The work project will be accomplished through contracted information technology development services and other associated contracts.

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

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

Sec. 1936. From the funds in part 1 for cranial hair prosthesis, the department shall allocate \$125,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 58,800 and 59,000 that is located in a county with a population between 881,000 and 882,000, according to the most recent federal decennial census. To be eligible for funds under this section, an organization must have current experience providing wigs and support services to children and young adults experiencing hair loss as a result of an illness.

Sec. 1937. From the funds appropriated in part 1 for addiction workforce medicine curriculum, the department shall allocate \$1,500,000.00 for comprehensive addiction medicine training programming, including anti-stigma education, fellowship graduate medical education positions, and addiction specialist physicians.

Sec. 1938. From the funds appropriated in part 1 for critical access hospital facility and equipment, the department shall allocate \$2,000,000.00 to a critical access hospital located in a city with a population between 1,900 and 2,100 in a county with a population between 8,500 and 9,000, according to the most recent federal decennial census, for hospital equipment repairs and replacements and for facility repairs.

Sec. 1939. From the funds appropriated in part 1 for juvenile justice infrastructure pool, the department shall allocate \$5,000,000.00 as follows:

(a) \$2,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population between 41,000 and 63,350 in a county with a population greater than 1,500,000, according to the most recent federal decennial census. The funds described in this subdivision must be used to support capital improvements, security upgrades, and case management software upgrades.

(b) \$1,000,000.00 to a privately owned and operated secure residential juvenile justice facility located in a city with a population between 8,960 and 9,000 that is located in a county with a population between 1,700,000 and 1,800,000, according to the most recent federal decennial census. The funds described in this subdivision must be used to support capital improvements and security upgrades needed to reopen the facility.

(c) \$2,000,000.00 to non-state-owned facilities through a competitive grant process.

Sec. 1941. From the funds appropriated in part 1 for housing and childcare project, the department shall allocate \$2,198,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, for a healthy village initiative that offers a combination of child care on the main level of a building and affordable housing on the second level. In order to be eligible for funds under this section, the nonprofit organization must be located in a city with a population greater than 500,000 according to the most recent federal decennial census, have been established in 1970, and have a stated mission to ensure that children, individuals, families, and communities have access to great health care, quality education, a comfortable home, and the money they need to build a life they desire.

Sec. 1943. From the funds appropriated in part 1 for healthy communities grant, the department shall allocate \$2,000,000.00 to a nonprofit providing recreational therapy, healthy living, and substance use intervention services that is located in a city with a population between 100,000 and 600,000 within a county with a population greater than 1,700,000, according to the most recent federal decennial census. The nonprofit must use the funding for all of the following:

(a) To support youth with intellectual and developmental disabilities and autism spectrum disorder to develop and master life skills.

(b) To improve nutrition education services to address healthy food access and prevent obesity.

(c) To prevent substance abuse for youth fighting drug and alcohol misuse.

(d) To expand community support for fighting drug and alcohol misuse.

Sec. 1945. From the funds appropriated in part 1 for medically underserved area services, the department shall allocate \$700,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population greater than 500,000 according to the most recent federal decennial census. To be eligible for funds under this section, the nonprofit organization must have been established in 1909 as a soup kitchen. The funding must be used to provide substance use disorder (SUD) treatment-related services, including, but not limited to, inpatient SUD treatment, residential SUD treatment, and an outpatient opioid treatment program.

Sec. 1947. (1) From the funds appropriated in part 1 for underserved healthcare facility project, the department shall allocate \$3,500,000.00 to a wellness center to acquire, renovate, build, and equip a facility to provide health care services to an underserved area with a high concentration of individuals with a substance use disorder and a large senior population. The wellness center must meet all of the following requirements:

(a) Be dedicated to enhancing the well-being of individuals by providing an array of comprehensive behavioral and physical health services in a trauma-informed environment and promoting quality of life, continuous improvement, social awareness, and healing.

(b) Have its administrative office located in a county with a population of greater than 1,750,000 in a city with a population between 109,000 and 111,000 according to the most recent federal decennial census.

(c) Be accredited by CARF International.

(2) The unexpended funds appropriated in part 1 for underserved healthcare facility project are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to acquire, renovate, build, and equip a facility to provide health care services to an underserved area.

(b) The project will be accomplished by a CARF International accredited wellness center.

(c) The estimated cost of the project is \$3,500,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1948. (1) From the funds appropriated in part 1 for doula training and continuing education, the department shall support professional development for doulas participating in the department's doula registry.

(2) The unexpended funds appropriated in part 1 for doula training and continuing education are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide training and continuing education for new and established doulas that serve residents in this state.

(b) The work project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the project is \$2,909,800.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1951. (1) From the funds appropriated in part 1 for local food infrastructure grant, the department shall allocate \$3,000,000.00 to a statewide, nonprofit trade association representing independent supermarkets, convenience stores and specialty food markets, and affiliates in the food wholesaling, distribution, and manufacturing industry that supports the retail industry with a Food Safety and Training program certified by the department and the United States Department of Agriculture (USDA) that was in place before January 1, 2022. The purpose of the grant is to aid grocers and food wholesale and retail merchants in this state in combating food deserts by increasing access to healthy food, increasing healthy food consumption, reducing obesity rates, increasing food security, and improving the local economy.

(2) The nonprofit organization identified in subsection (1) must work with the department to establish grant program guidelines and an application process for individuals and businesses seeking reimbursement for eligible costs associated with combating food deserts in USDA designated areas. Grant awards may not exceed eligible program costs. Unused funds issued to any applicant must be returned to the program administrator for deposit and reuse for other program applicants.

(3) For the purposes of this section, a “food desert” means that term as defined in “Characteristics and Influential Factors of Food Deserts”, a publication from the United States Department of Agriculture, dated August 2012.

Sec. 1952. (1) From the funds appropriated in part 1 for firearm injury and violence prevention, the department shall allocate \$5,500,000.00 to contract with a public university located in a city with a population between 100,000 and 130,000 in a county with a population between 370,000 and 380,000, according to the most recent federal decennial census, to provide training technical assistance, and infrastructure to support the implementation of the extreme risk protection order act, 2023 PA 38, MCL 691.1801 to 691.1821.

(2) The unexpended funds appropriated in part 1 for firearm injury and violence prevention are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide training, technical support, and program evaluations to reduce firearm injuries in this state and to establish new infrastructure for data collection on injuries in this state.

(b) The work project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the work project is \$5,500,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1954. From the funds appropriated in part 1 for firearm safety and violence prevention, the department shall allocate \$1,800,000.00 to support community-based firearm safety and prevention efforts. Funds must be allocated to community-based organizations that provide training and programming on extreme risk protective orders issued under the extreme risk protection order act, 2023 PA 38, MCL 691.1801 to 691.1821, and the safe storage law described in section 9 of 1927 PA 372, MCL 28.429.

Sec. 1955. (1) From the funds appropriated in part 1 for family planning local agreements, the department shall allocate \$5,600,000.00 to support statewide family planning services.

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

(a) The purpose of the project is to assist individuals and families in planning and spacing births, preventing unintended pregnancies, and seeking preventive health screenings.

(b) The project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the project is \$5,600,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1956. (1) From the funds appropriated in part 1 for first responder and public safety staff mental health, the department shall allocate \$2,500,000.00 for a grant program to support firefighters, police officers, emergency medical services personnel, public safety tele-communicators, local correctional officers, juvenile detention employees, prosecutors, and individuals working on special teams to address crimes such as internet sex crimes, sexual crimes against children, or traffic fatalities suffering from post-traumatic stress syndrome and other mental health conditions. The grant program must primarily provide grants to behavioral health providers and may also include funding to the Michigan crisis and action line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165, to improve information and referrals for these services. The department shall coordinate and integrate the grant program with the Michigan crisis and access line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

(2) The unexpended funds appropriated in part 1 for first responder and public safety staff mental health are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to ensure that first responder and public safety staff who are dealing with post-traumatic stress syndrome and other mental health conditions have access to enhanced mental health services.

(b) The work project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the work project is \$2,500,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1957. From the funds appropriated in part 1 for community information exchange, the department shall allocate \$1,000,000.00 in the same manner as the funds described in section 465 of this part.

Sec. 1958. (1) From the funds appropriated in part 1 for Native American health services, the department shall allocate \$3,500,000.00 for a grant to an organization that specializes in American Indian health services and that has a clientele that is comprised of a majority of Medicaid recipients to build a medical, behavioral health, and community wellness center located in a city with a population greater than 600,000 and located in a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(2) Before receiving the grant described in subsection (1), the department shall require the grantee to provide periodic updates on the construction of the facility until it is open and operational.

(3) Not later than September 30 of the current fiscal year, the department shall report on the updates described in subsection (2) to the standard report recipients.

Sec. 1961. From the funds appropriated in part 1 for fitness and wellness programming, the department shall allocate \$1,200,000.00 to a coalition located in a county with a population of at least 1,500,000 according to the most recent federal decennial census with an aim to lead and support communities to dispel the myths and stigmas about drug addiction through public education, sharing stories of recovery, partnering with local and state leaders, creating positive social changes, and providing recovery support services for those in need. The funding must be used as follows:

(a) \$1,000,000.00 for a wellness program that offers personalized diabetes management, weight loss programs, and nutrition counseling.

(b) \$200,000.00 for a fitness campaign for seniors that promotes active and healthy aging.

Sec. 1963. From the funds appropriated in part 1 for community impact center, the department shall allocate \$2,500,000.00 to a community action agency located in a county with a population greater than 1,300,000 according to the most recent federal decennial census to redevelop a former elementary school to create a community center and campus.

Sec. 1964. From the funds appropriated in part 1 for hospice caregiver support center, the department shall allocate \$1,000,000.00 to a nonprofit hospice organization that is organized under the laws of this state, is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and provides hospice services in 50 counties, to develop and operate a caregiver support center to expand the center's capacity to support and guide hospice patients and family caregivers that are receiving care through nonprofit hospice organizations.

Sec. 1965. (1) From the funds appropriated in part 1 for water affordability, the department shall allocate \$10,000,000.00 as grants to qualified providers to assist eligible residents who have a financial burden, have accumulated a balance on their water utility bill, have had their water service shut off, and/or are at risk of having their water service shut off. Eligible expenditures from these funds must be income-based and must include all of the following:

(a) Restoring residential water service.

(b) Paying down water bills currently in arrears.

(c) Supporting reasonable water affordability plans that are based on an individual's ability to pay, including capped payments based on household income to prevent accumulating a balance on future water bills and funding to qualified providers to cover the remaining cost of service.

(d) Protecting participating residents from water shutoffs.

(2) To be considered a qualified provider under this section, the provider must be 1 of the following:

(a) A community water system.

(b) A community action agency.

(c) A nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, with a history of doing utility assistance work.

(3) Qualified providers receiving grants under this section may spend not more than 3% of the total grant award for administrative services related to the implementation of this section.

(4) Qualified providers receiving grants under this section shall report to the department by September 30 of the current fiscal year on outcomes and performance measures for the program, including, but not limited to, all of the following:

(a) The total grant award received by the qualified provider.

(b) The percentage of the grant award that was used for administrative costs.

(c) The total dollars spent broken down by type of assistance provided.

(d) The number of individuals helped broken down by type of assistance provided.

(e) The number of individual applicants denied assistance.

(5) Upon receipt of the information required under subsection (4), the department shall compile and forward the report to the standard report recipients.

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

(a) The purpose of the project is to provide grants to qualified providers that assist eligible residents who have a financial burden, have accumulated a balance on their water utility bill, have had their water service shut off, and/or are at risk of having their water service shut off.

(b) The project will be accomplished through competitive grants to qualified providers.

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

(d) The tentative completion date is September 30, 2029.

Sec. 1966. (1) From the funds appropriated in part 1 for homeless shelter operations, the department shall allocate \$400,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population greater than 20,000 within a county with a population between 154,500 and 160,000, according to the most recent federal decennial census, to support and sustain homeless shelter operations. To be eligible for funding under this section, the nonprofit organization must have been established in 2015, with a stated mission to rebuild the community, restore families, and repurpose individuals.

(2) The unexpended funds appropriated in part 1 for homeless shelter operations are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support and sustain homeless shelter operations.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$400,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1967. (1) From the funds appropriated in part 1 for trauma recovery center pilot program, the department shall allocate \$4,000,000.00 for a 3-year trauma recovery center pilot program at 2 locations. The location of each pilot program must be at an adult level I Michigan designated trauma facility. One pilot program must be located in a city with a population of greater than 500,000 according to the most recent federal decennial census and the other pilot program must be located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. A pilot program must do all of the following to be awarded funding under this section:

(a) Use an evidence-informed integrated trauma recovery services model for providing and delivering services.

(b) Comply with applicable statutory requirements for its administration and operation, and for service requirements and funding.

(c) Except as otherwise provided in subsection (2), demonstrate to the department that it adheres to all guidelines for implementing and operating a trauma recovery center, as developed by the National Alliance of Trauma Recovery Centers.

(2) The department may award the funding to an adult level I Michigan designated trauma facility that does not adhere to the guidelines described in subsection (1) if the facility demonstrates to the department the facility's ability to comply with the guidelines on the receipt of the funds under this section.

(3) The unexpended funds appropriated in part 1 for trauma recovery center pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure that the pilot programs located in adult level I Michigan designated trauma facilities are developing a model for trauma service provision and delivery.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$4,000,000.00.

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

Sec. 1968. From the funds appropriated in part 1 for maternal health services, the department shall allocate \$420,000.00 in general fund/general purpose revenue to maintain sustainability at existing nurse family partnership sites in a county with a population between 250,000 and 270,000 according to the most recent federal decennial census and to include an additional outreach worker position.

Sec. 1970. From the funds appropriated in part 1 for medical center robotic surgery, the department shall allocate \$2,000,000.00 to a medical center that was founded in 1908 and is located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census, to expand the utilization of robotic surgery for the purposes of improving patient outcomes and reducing recovery times.

Sec. 1971. From the funds appropriated in part 1 for disability and independent living program, the department shall allocate \$250,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population between 2,600 and 3,200 in a county with a population greater than 1,500,000 according to the most recent federal decennial census. To be eligible for funds under this section, the nonprofit organization must have a stated mission to enhance the lives of the organization's participants with disabilities and that through therapeutic, social, work-based, and community engagement, it seeks to support, enrich, inspire, and embolden the organization's participants and the participants' families so that the participants can achieve the participants' goals.

Sec. 1972. From the funds appropriated in part 1 for behavioral health services, the department shall allocate \$3,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 138,000 and 140,000 that is located in a county with a population between 881,000 and 882,000, according to the most recent federal decennial census. To be eligible for funds under this section, an organization must have current experience providing support services to immigrant children and families from Afghanistan, Iraq, Syria, Yemen, and other Middle Eastern countries, and Ukraine.

Sec. 1975. (1) From the funds appropriated in part 1 for Medicaid rate comparison study, the department shall allocate \$250,000.00 to enter into a contract with a research organization or public university to conduct an analysis of Medicaid reimbursement rates in this state. The report must do, at least, all of the following:

- (a) Analyze the top 50 CPT codes for which the current reimbursement rates limit access to care.
- (b) Compare Medicaid reimbursement rates in this state to rates in other states in the Midwest, broken down by CPT code.

- (c) Assess the current Medicaid perinatal payment structure and make recommendations for services that should be included in the payment bundle and recommendations for reimbursement rate level, broken down by CPT code.

- (2) The department shall submit the report described in subsection (1) to the standard report recipients not later than September 30 of the current fiscal year.

Sec. 1978. From the funds appropriated in part 1 for health equity statewide curriculum, the department shall allocate \$500,000.00 to partner with a state medical professional society located in a city with a population between 47,000 and 48,000 in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census, to develop a statewide health equity curriculum for implementation in medical schools and continuing medical education in this state.

Sec. 1980. (1) From the funds appropriated in part 1 for nurse incentive program, the department shall allocate \$9,165,000.00 to provide loan repayment assistance to eligible nurses who work in state operated and nonstate operated facilities. The department shall provide loan repayment assistance under this section only to a nurse who agrees in writing to repay the loan repayment assistance the nurse receives if the nurse does not maintain employment in a state operated or nonstate operated facility for not less than 2 years.

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

- (a) The purpose of the work project is to expand financial support provided through loan repayment assistance to eligible nurses.

- (b) The work project will be accomplished by utilizing state employees or contracts.

- (c) The total estimated cost of the work project is \$9,165,000.00.

- (d) The tentative completion date is September 30, 2029.

Sec. 1981. From the funds appropriated in part 1 for children's campus renovation, the department shall allocate \$2,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that was established in 1917, and that has a headquarters located in a charter township with a population between 35,000 and 95,000 and in a county with a population greater than 1,500,000 according to the most recent federal decennial census, for the building, developing, and managing of a pediatric health and wellness center. In order to be eligible for funds under this section, the nonprofit organization must have a stated mission to provide individualized treatment, care, advocacy, and permanency to children and families impacted by childhood trauma.

Sec. 1982. From the funds appropriated in part 1 for modified implementation sustainability and exit plan, the department shall identify necessary investments in new department services and supports to meet the benchmarks established through the court-approved settlement agreement known as the modified implementation sustainability and exit plan to expedite the department's exit from federal court supervision and improve outcomes for children in care. Allowable expenditures from this fund include the following:

- (a) New programs and supports for children in care to help them achieve permanency.
- (b) New administrative resources to assist children in care and any other necessary task to improve the department's performance in meeting modified implementation sustainability and exit plan standards.
- (c) Necessary training and technical assistance to parents, providers, and staff.
- (d) Legal services.
- (e) Any other costs that may be necessary to comply with court requirements related to the modified implementation sustainability and exit plan.

Sec. 1983. From the funds appropriated in part 1 for patient-centered medical home, the department shall allocate \$1,000,000.00 to a nonprofit organization that is organized under the laws of this state, is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, is located in a city with a population between 9,500 and 10,500 in a county with a population between 170,000 and 180,000, according to the most recent federal decennial census, and that provides medical, pharmaceutical, dental, obstetrical, and mental health services to economically disadvantaged individuals to build a comprehensive health clinic.

Sec. 1984. From the funds appropriated in part 1 for community opportunity hub, the department shall appropriate \$1,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that was established in 2010, and that is located in a city with a population greater than 500,000 according to the most recent federal decennial census, to renovate and repurpose former school buildings into opportunity hubs, repair owner-occupied homes, and provide other community wraparound supports. To be eligible for funds under this section, the nonprofit organization must organize an annual 6-day event to beautify the area surrounding the opportunity hub.

Sec. 1985. From the funds appropriated in part 1 for behavioral health initiative, the department shall allocate \$1,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 66,000 and 67,000, according to the most recent federal decennial census, for an initiative focused on training and educating primary care physicians to screen and treat mild to moderate behavioral health issues, increasing the use of telehealth, supporting the use of health information exchange for closed-loop referrals to connect primary care physicians to licensed behavioral health providers, and peer recovery support services.

Sec. 1986. From the funds appropriated in part 1 for nurse workforce development, the department shall allocate \$4,000,000.00 to a 4-year state university located in a county with a population greater than 1,500,000 according to the most recent federal decennial census. Funding must be used to support efforts to increase retention and reduce nurse faculty turnover. Eligible uses for funds under this section include, but are not limited to, the following:

- (a) Providing salary increases for qualified clinicians serving as clinical educators.
- (b) Providing tuition support for nurses wishing to pursue a graduate certificate in nursing education.
- (c) Providing agency incentives for full semester clinical placements.
- (d) Supporting nurse residency programming.
- (e) Supporting research designed to develop effective methods to reduce staff turnover.

Sec. 1992. (1) From the funds appropriated in part 1 for preweatherization services, the department shall allocate \$5,000,000.00 to support preweatherization efforts to reduce energy costs for low-income families.

(2) The unexpended funds appropriated in part 1 for preweatherization services are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the work project is to reduce energy costs for low-income families, particularly for the elderly, people with disabilities, and children, while ensuring their health and safety.
- (b) The work project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the work project is \$5,000,000.00.
- (d) The tentative completion date is September 30, 2029.

Sec. 1998. From the funds appropriated in part 1 for suicide loss survivor program, the department shall allocate \$250,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population that is greater than 600,000 that is located in a county with a population greater than 1,700,000, according to the most recent federal decennial census. Funds shall be used to support the suicide loss survivor program.

Sec. 2000. From the funds appropriated in part 1 for kinship and the bridge, the department shall allocate \$1,000,000.00 to a nonprofit organization with a mission to make a transformative change in the foster care system in this state through making a measurable and meaningful impact in the lives of individuals who have experienced foster care located in a county with a population between 1,000,000 and 1,500,000 and in a charter township with a population between 44,000 and 45,000, according to the most recent federal decennial census, to expand its dynamic direct service program for youth with experience in foster care, known as The Bridge, and kinship connections pilot to work to ensure that youth removed from their homes are placed with licensed relatives.

Sec. 2002. From the funds appropriated in part 1 for supportive home visitation, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a county with a population between 260,000 and 262,000, according to the most recent federal decennial census. Funds under this section must be used to support women and infants through a home visitation program designed to improve parenting skills.

Sec. 2003. From the funds appropriated in part 1 for nonprofit mental health clinic, the department shall allocate \$100,000.00 as a grant to a nonprofit mental health clinic located in a county with a population between 290,000 and 300,000, according to the most recent federal decennial census, that provides counseling services, accepts clients regardless of their ability to pay for services through sliding scale copayments and volunteer services, and uses fundraising to support the clinic.

Sec. 2004. From the funds appropriated in part 1 for maternal health services, the department shall provide grants to organizations working to improve maternal and infant health. Funds appropriated under this section must be distributed to both of the following:

(a) \$5,000,000.00 to the Michigan perinatal quality collaborative to support regional strategies to improve maternal and infant health outcomes.

(b) \$2,500,000.00 for grants to health providers to improve and expand the use of the CenteringPregnancy model to address racial disparities in preterm birth.

Sec. 2005. From the funds appropriated in part 1 for maternal-fetal medicine programming, the department shall allocate \$3,000,000.00 to an office of women's health located at a university in a county with a population greater than 1,500,000, according to the most recent federal decennial census, to oversee the programming. The funding must be used for a collaboration of universities and hospitals across this state to develop and implement a model to reduce infant and maternal mortality through best practices, patient incentives and transportation, navigators, and on-site medication distribution.

Sec. 2006. From the funds appropriated in part 1 for tribal homeless shelter operations, the department shall allocate \$500,000.00 to support a tribal homeless shelter in a county with a population between 36,500 and 36,800 according to the most recent federal decennial census. Funds under this section must be used to support shelter services provided to tribal members.

Sec. 2007. From the funds appropriated in part 1 for mental health services and community outreach, the department shall allocate \$1,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population greater than 500,000, according to the most recent federal decennial census. To be eligible under this section, the nonprofit organization must strive to offer a safe space for integrated health and human services through multidisciplinary teams who deliver compassionate care to those in need of therapeutic care, community education, employment opportunities, recreational activities, and support services. The funds under this section must be used to provide mental and behavioral health services to underserved populations and may also be used to provide community outreach.

Sec. 2008. From the funds appropriated in part 1 for mobile outreach clinic, the department shall allocate \$700,000.00 to a nonprofit Michigan health care system organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that has a health campus located in a county with a population between 280,000 and 290,000, according to the most recent federal decennial census, to purchase and outfit a vehicle capable of providing multiple health care services to address health care disparities and increase health care access.

Sec. 2009. (1) From the funds appropriated in part 1 for behavioral health prevention and treatment pilot project, the department shall allocate \$3,000,000.00 to school districts for a 100,000-student pilot project employing an electronic multicomponent behavioral health prevention and treatment tool based on a population health model. At a minimum, the pilot project includes all of the following:

(a) An urban school district with at least 48,000 students that is located in a county with a population of at least 1,750,000, according to the most recent federal decennial census.

(b) A rural school district with a Medicaid-covered student population of at least 60%.

(c) A suburban school district located in a city with a population between 133,000 and 135,000 in a county with a population between 875,000 and 885,000, according to the most recent federal decennial census.

- (d) Additional districts if, after the districts described in subdivisions (a) to (c) are enrolled, there is available funding and capacity under the pilot project student limit.
- (2) The electronic multicomponent behavioral health prevention and treatment tool must provide, but is not limited to, all of the following:
- (a) Online behavioral health education resources.
 - (b) Peer-to-peer support services including a moderated online peer chat space.
 - (c) Online private sessions with behavioral health professionals licensed in this state.
- (3) The electronic multicomponent behavioral health prevention and treatment tool provider must possess demonstrated experience providing these services to school districts serving rural and urban student populations in other states.

ARTICLE 7
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	398.5	
GROSS APPROPRIATION	\$	78,621,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		753,500
ADJUSTED GROSS APPROPRIATION	\$	77,867,900
Federal revenues:		
Total federal revenues		700,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		77,167,900
State general fund/general purpose	\$	0
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	23.5	
Unclassified salaries—FTEs	6.0	\$ 955,500
Administrative hearings		173,700
Department services—FTEs	20.0	4,127,900
Executive director programs—FTEs	3.5	916,800
Property management		1,389,100
Worker's compensation		1,200
GROSS APPROPRIATION	\$	7,564,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDLARA, for debt management		72,100
Special revenue funds:		
Bank fees		598,800
Captive insurance regulatory and supervision fund		57,000
Consumer finance fees		292,000
Credit union fees		985,000
Deferred presentment service transaction fees		265,200
Insurance bureau fund		2,409,700
Insurance continuing education fees		67,500
Insurance licensing and regulation fees		2,036,700
MBLSLA fund		778,900
Multiple employer welfare arrangement		1,300
State general fund/general purpose	\$	0

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
Full-time equated classified positions	375.0	
Consumer services and protection—FTEs	105.0\$	16,570,600
Financial institutions evaluation—FTEs	140.0	25,574,900
Insurance evaluation—FTEs	130.0	26,042,600
GROSS APPROPRIATION	\$	68,188,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDLARA, for debt management		656,200
Federal revenues:		
Federal revenues		700,000
Special revenue funds:		
Bank fees		6,913,100
Captive insurance regulatory and supervision fund		790,200
Consumer finance fees		2,857,800
Credit union fees		8,798,400
Deferred presentment service transaction fees		2,371,100
Insurance bureau fund		25,555,100
Insurance continuing education fees		1,022,700
Insurance licensing and regulation fees		11,613,400
MBLSLA fund		6,821,000
Multiple employer welfare arrangement		89,100
State general fund/general purpose	\$	0
Sec. 104. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	2,369,100
GROSS APPROPRIATION	\$	2,369,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDLARA, for debt management		25,200
Special revenue funds:		
Bank fees		147,300
Captive insurance regulatory and supervision fund		13,700
Consumer finance fees		73,300
Credit union fees		248,900
Deferred presentment service transaction fees		50,000
Insurance bureau fund		466,400
Insurance continuing education fees		9,000
Insurance licensing and regulation fees		1,143,400
MBLSLA fund		191,900
State general fund/general purpose	\$	0
Sec. 105. ONE-TIME APPROPRIATIONS		
Automobile insurance study	\$	250,000
Insurance complaints and health care appeals outreach campaign		250,000
GROSS APPROPRIATION	\$	500,000
Appropriated from:		
Special revenue funds:		
Insurance licensing and regulation fees		500,000
State general fund/general purpose	\$	0

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$77,167,900.00 and state spending under part 1 from state sources to be paid to local units of government is \$0.00.

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

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

(a) "Department" means the department of insurance and financial services.

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

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

(d) "IDG" means interdepartmental grant.

(e) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(f) "MDLARA" means the Michigan department of licensing and regulatory affairs.

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

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

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

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$1,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, “geographically-disadvantaged business enterprises” means that term as defined in Executive Directive No. 2023-1.

Sec. 214. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the standard report recipients and to the senate and house appropriations committees.

Sec. 215. Appropriations in part 1 must, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 216. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 217. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, the senate and house appropriations committees, and the joint committee on administrative rules.

Sec. 219. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community’s access to government resources, programs, or facilities.

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

Sec. 220. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 221. From the funds appropriated in part 1 from the insurance bureau fund, funds may be expended to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225.

Sec. 222. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

INSURANCE AND FINANCIAL SERVICES REGULATION

Sec. 301. The department shall electronically transmit the annual health insurance rate change report prepared pursuant to 45 CFR 154.301(b) to the standard report recipients at the time the report is published. The report must include the total number of objections issued by the department for health insurance filings in the report.

Sec. 302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing

act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and must not lapse to the general fund at the end of the fiscal year. The total amount appropriated under this section and section 303 must not exceed \$1,000,000.00.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and must be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year must lapse to the appropriate restricted fund. The total amount appropriated under this section and section 302 must not exceed \$1,000,000.00.

Sec. 304. The department must electronically transmit the annual report prepared under section 238 of the insurance code of 1956, 1956 PA 218, MCL 500.238, and section 2108 of the banking code of 1999, 1999 PA 276, MCL 487.12108, to the standard report recipients at the time of the publication of the report.

Sec. 305. The department shall update examination manuals and letters of guidance to state-chartered financial institutions as necessary to reflect how the department will evaluate institutions that provide banking or other financial services to marihuana-related businesses or businesses that transport, test, grow, process, or sell marihuana, based on state statute and guidance. The department may also include guidance or information on how federal law and regulations may impact state-chartered institutions.

Sec. 306. The department shall provide a report to the standard report recipients based on filings received from insurers for automobile insurance as that term is defined in section 2102 of the insurance code of 1956, 1956 PA 218, MCL 500.2102, in the previous calendar year that includes all of the following:

- (a) The number of automobile insurance rate filings received by the department.
- (b) The average number of calendar days to process rate filings.
- (c) Pursuant to section 2111f of the insurance code of 1956, 1956 PA 218, MCL 500.2111f, the weighted average, aggregated personal protection insurance rate change for policies subject to the coverage limits under section 3107c(1)(a) to (d) of the insurance code of 1956, 1956 PA 218, MCL 500.3107c.
- (d) The number of objections issued by the department for automobile insurance filings.

Sec. 307. From the funds appropriated in part 1 for consumer services and protection, the department shall expend \$600,000.00 to add up to 3.0 FTEs to provide customer service outreach or education related to financial services and insurance, including automobile insurance and automobile accident care claims. At least 1.0 FTE must be trained and experienced to assist catastrophic accident survivors.

Sec. 308. The department shall create a plan to increase outreach, education, and support services to the public, taking into consideration demographic variables and analyzing areas of this state with the greatest needs. The department may partner with other state agencies to meet the requirements of this section. The department shall consider methods to achieve the requirements of this section, such as providing disaster relief support and identifying events and other opportunities for direct public interaction.

ONE-TIME APPROPRIATIONS

Sec. 401. From the funds appropriated in part 1 for an automobile insurance study, the department shall study and report on the effects of the 2019 automobile insurance reform by September 30. The department may consult or contract with a university, research institute, or other entity that specializes in policy research. The study should consider the impact of the reform on costs, participants, demographics of those impacted, access to care, access to providers, and total impact on insured accident victims and access to long-term care providers since 2019.

Sec. 402. From the funds appropriated in part 1 for insurance complaints and health care appeals outreach campaign, the department must provide an outreach campaign to raise awareness to residents of the services and information provided by the department on how to file complaints, and the right to appeal health insurance denials. The outreach campaign may include paid advertising and media outreach in every region of the state, targeted outreach to medical providers and other key stakeholders, and other outreach activities to give residents the information they need to contact the department for assistance. Not later than September 30, 2025, the department shall submit a report to the standard report recipients detailing expenditures used for the outreach campaign.

ARTICLE 8
JUDICIARY
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2025, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions	643.5
GROSS APPROPRIATION	\$ 373,441,400

	For Fiscal Year Ending Sept. 30, 2025	
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	\$	2,402,300
ADJUSTED GROSS APPROPRIATION	\$	371,039,100
Federal revenues:		
Total federal revenues		7,132,600
Special revenue funds:		
Total local revenues		0
Total private revenues		1,905,300
Total other state restricted revenues		95,887,300
State general fund/general purpose	\$	266,113,900
Sec. 102. SUPREME COURT		
Full-time equated exempted positions	306.0	
Community dispute resolution—FTEs	3.0	\$ 3,381,300
Drug treatment courts—FTEs	2.0	12,962,000
Foster care review board—FTEs	10.0	1,421,200
Jail reform advisory support—FTE	1.0	157,700
Judicial information systems—FTEs	91.0	19,647,000
Judicial institute—FTEs	17.0	2,865,600
Justice for all—FTEs	2.0	1,534,700
Mental health courts and diversion services—FTE	1.0	5,712,000
Next generation Michigan court system		4,116,000
Other federal grants		275,100
State court administrative office—FTEs	83.0	15,491,300
Supreme court administration—FTEs	96.0	16,548,600
Swift and sure sanctions program		3,350,000
Veterans courts		1,061,200
GROSS APPROPRIATION	\$	88,523,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		52,300
IDG from department of state police		1,500,000
IDG from department of state police, Michigan justice training fund		100,000
Federal revenues:		
DOJ, drug court training and evaluation		300,000
DOT, National Highway Traffic Safety Administration		2,258,700
Federal funds		275,100
HHS, access and visitation grant		502,000
HHS, children’s justice grant		254,000
HHS, court improvement project		987,700
HHS, safe access for victims economic security grant		420,000
HHS, state opioid response grant		352,200
HHS, title IV-D child support program		877,200
HHS, title IV-E foster care program		324,500
Special revenue funds:		
Interest on lawyers’ trust accounts		406,800
Private funds		501,100
State justice institute		529,000
Community dispute resolution fund		2,417,200
Court of appeals filing/motion fees		1,450,000
Drug treatment court fund		1,920,500
Justice system fund		634,600
Law exam fees		786,000
Miscellaneous revenue		249,400
State court fund		417,900
State general fund/general purpose	\$	71,007,500

		For Fiscal Year Ending Sept. 30, 2025
Sec. 103. COURT OF APPEALS		
Full-time equated exempted positions	179.0	
Court of appeals operations—FTEs	179.0\$	27,295,200
GROSS APPROPRIATION	\$	27,295,200
Appropriated from:		
State general fund/general purpose	\$	27,295,200
Sec. 104. BRANCHWIDE APPROPRIATIONS		
Full-time equated exempted positions	6.0	
Branchwide appropriations—FTEs	6.0\$	10,915,800
GROSS APPROPRIATION	\$	10,915,800
Appropriated from:		
State general fund/general purpose	\$	10,915,800
Sec. 105. JUSTICES’ AND JUDGES’ COMPENSATION		
Judges’ positions—589.0 justices and judges		
Supreme court justices’ salaries—7.0 justices	\$	1,359,400
Circuit court judges’ state base salaries—221.0 judges		29,838,800
Circuit court judicial salary standardization		10,105,400
Court of appeals judges’ salaries—25.0 judges		4,890,700
District court judges’ state base salaries—232.0 judges		31,290,400
District court judicial salary standardization		10,597,200
Probate court judges’ state base salaries—104.0 judges		13,893,100
Probate court judicial salary standardization		4,703,900
Judges’ retirement system defined contributions		8,812,100
OASI, Social Security		7,944,600
GROSS APPROPRIATION	\$	123,435,600
Appropriated from:		
Special revenue funds:		
Court fee fund		2,535,900
State general fund/general purpose	\$	120,899,700
Sec. 106. JUDICIAL AGENCIES		
Full-time equated exempted positions	14.0	
Judicial tenure commission—FTEs	14.0\$	2,907,800
GROSS APPROPRIATION	\$	2,907,800
Appropriated from:		
State general fund/general purpose	\$	2,907,800
Sec. 107. INDIGENT DEFENSE - CRIMINAL		
Full-time equated exempted positions	112.5	
Appellate public defender program—FTEs	94.0\$	16,081,900
Juvenile life resentencing—FTEs	18.5	2,894,200
Michigan appellate assigned counsel system roster attorney compensation grants		3,208,100
GROSS APPROPRIATION	\$	22,184,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		250,000
Federal revenues:		
Federal funds		581,200
Special revenue funds:		
Interest on lawyers’ trust accounts		88,400
Michigan justice fund		380,000
Miscellaneous revenue		172,400
State general fund/general purpose	\$	20,712,200
Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
Indigent civil legal assistance	\$	7,937,000
GROSS APPROPRIATION	\$	7,937,000

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Special revenue funds:		
State court fund	\$	7,937,000
State general fund/general purpose	\$	0
Sec. 109. TRIAL COURT OPERATIONS		
Full-time equated exempted positions	26.0	
Court equity fund reimbursements	\$	60,815,700
Drug case-flow program		250,000
Drunk driving case-flow program		3,300,000
Judicial technology improvement fund		4,815,000
Juror compensation reimbursement—FTE	1.0	6,613,600
Statewide e-file system—FTEs	25.0	11,947,800
GROSS APPROPRIATION	\$	87,742,100
Appropriated from:		
Special revenue funds:		
Court equity fund		50,440,000
Drug case information management fund		250,000
Drunk driving case-flow assistance fund		3,300,000
Judicial electronic filing fund		11,947,800
Judicial technology improvement fund		4,815,000
Juror compensation fund		6,613,600
State general fund/general purpose	\$	10,375,700
Sec. 110. ONE-TIME APPROPRIATIONS		
Eviction diversion pilot program	\$	500,000
Operation drive		1,000,000
Prescription compliance through oral fluid testing program		500,000
Status offender pilot program		500,000
GROSS APPROPRIATION	\$	2,500,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of health and human services		500,000
State general fund/general purpose	\$	2,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2024-25 is \$362,001,200.00 and state spending under part 1 from state sources to be paid to local units of government is \$153,885,500.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

JUDICIARY		
SUPREME COURT		
Drug treatment courts	\$	9,012,000
Mental health courts and diversion services		5,712,000
Next generation Michigan court system		4,116,000
State court administrative office		200,000
Swift and sure sanctions program		3,350,000
Veterans courts		1,061,200
JUSTICES' AND JUDGES' COMPENSATION		
Circuit court judicial salary standardization	\$	10,105,400
District court judicial salary standardization		10,597,200
OASI, Social Security		1,392,600
Probate court judges' state base salaries		13,893,100
Probate court judicial salary standardization		4,703,900

	For Fiscal Year Ending Sept. 30, 2025
TRIAL COURT OPERATIONS	
Court equity fund reimbursements	\$ 60,815,700
Drug case-flow program	250,000
Drunk driving case-flow program	3,300,000
Judicial technology improvement fund	4,815,000
Juror compensation reimbursement	6,613,600
Statewide e-file system	11,947,800
ONE-TIME APPROPRIATIONS	
Eviction diversion pilot program	\$ 500,000
Operation drive	1,000,000
Prescription compliance through oral fluid testing program	500,000
TOTAL	\$ 153,885,500

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

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

- (a) “DOJ” means the United States Department of Justice.
- (b) “DOT” means the United States Department of Transportation.
- (c) “FTE” means full-time equated position in the classified service of this state.
- (d) “HHS” means the United States Department of Health and Human Services.
- (e) “IDG” means interdepartmental grant.
- (f) “OASI” means old age survivor’s insurance.
- (g) “Standard report recipients” means the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.
- (h) “Title IV-D” means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.
- (i) “Title IV-E” means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on an internet site.

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

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

Sec. 206. The state court administrative office shall prepare a report on out-of-state travel expenses not later than January 1. The report must list all travel outside this state by judicial branch employees in the previous fiscal year that was funded in whole or in part with funds appropriated in the judicial branch’s budget. The judicial branch shall submit the report to the standard report recipients and to the senate and house appropriations committees. The report must include all of the following information:

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

Sec. 207. Not later than December 15, the state budget office shall prepare and submit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major judicial program or program areas. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 208. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that posts all of the expenditures made by the judicial branch within a fiscal year. A post must include the purpose for the expenditure. The judicial branch shall not provide financial information on the public website that would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 209. Not later than 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 211. The judicial branch shall not take disciplinary action against an employee of the judiciary for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the judicial branch is exercising its authority as provided by law.

Sec. 212. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. The judicial branch shall follow federal and state guidelines for short-term and long-term retention of records. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 214. (1) Funds appropriated in part 1 to an entity in the judicial branch must not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

(2) Funds appropriated to the judicial branch must not be expended by a component in the judicial branch without the approval of the supreme court.

JUDICIAL BRANCH

Sec. 301. From the funds appropriated in part 1 for the judicial branch, \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 302. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The report must be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. If data is provided under this section, the data must be public and nonidentifying information, as determined by the state court administrative office. As used in this section, "nonidentifying information" means information that does not include personal information that, if released, would be considered invasion of privacy.

Sec. 303. From the funds appropriated in part 1 for community dispute resolution, community dispute resolution centers shall provide dispute resolution services specified in the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, help reduce suspensions and truancy, and improve school environment. The funds appropriated in part 1 for community dispute resolution may be used to develop or expand juvenile diversion services in coordination with local prosecutors.

Sec. 304. From the funds appropriated in part 1 for mental health courts and diversion services, \$1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 305. If funds in the court fee fund are insufficient to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made is appropriated from the state general fund for judges' compensation. If an appropriation from the state general fund is necessary under this section, not later than 14 days after the appropriation, the state court administrative office shall submit a report to the standard report recipients and the senate and house standing committees on appropriations.

Sec. 306. From the funds appropriated in part 1, the state court administrative office shall submit a report on drug treatment, mental health, and veterans court programs in this state not later than March 1. The report must include all of the following information for each individual court, by program:

- (a) The number of each type of program.
- (b) The number of program participants.
- (c) The impact of the programs on offender criminal involvement and recidivism.
- (d) An accounting of previous fiscal year expenditures, including grant amounts requested, grant amounts awarded, and grant amounts expended.

Sec. 307. (1) The funds appropriated in part 1 for drug treatment courts must be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall use all available county and state personnel involved in the disposition of cases, including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1) and new drug treatment court judges.

(3) The state court administrative office may prioritize funding for courts that have a higher number of filed substance use disorder cases.

(4) To assist the department of corrections and avoid prison bed space growth for nonviolent offenders, the judiciary shall receive \$1,500,000.00 in Byrne formula grant funding through an interdepartmental grant from the department of state police to be used to support drug treatment court costs consistent with Byrne grant program criteria.

Sec. 308. (1) From the funds appropriated in part 1 for swift and sure sanctions programs, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Not more than \$150,000.00 of the funds designated for the program is available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Of the funds designated for the program, \$500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) Not later than March 1, the state court administrative office, in coordination with the department of corrections, shall submit a report on the swift and sure sanctions program that includes all of the following information for each individual court, by program:

- (a) A list of courts that participate in the program.
- (b) The number of offenders who participate in the program.
- (c) The criminal history of offenders who participate in the program.
- (d) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.
- (e) A detailed description of the establishment and parameters of the program.
- (f) An accounting of previous fiscal year expenditures, including, but not limited to, grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

Sec. 310. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals who represent themselves in civil legal proceedings. The state court administrative office shall summarize the costs to maintain the website, provide statistics on the number of individuals who visit the website, and provide information on content usage, form completion, and user feedback not later than March 1 for the previous fiscal year.

Sec. 311. From the funds appropriated in part 1, the state court administrative office shall submit a report on the statewide judicial case management system not later than March 1. The report must provide a status update on development and implementation of the statewide judicial case management system and must include all appropriation and expenditure data for all previous and the current fiscal years.

Sec. 312. The state court administrative office shall not impose local user fees or collect local user fees from trial courts that are using the statewide judicial case management system.

Sec. 313. (1) If Byrne formula grant funding is awarded to the state appellate defender office in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend not more than \$250,000.00 of Byrne formula grant funds as an interdepartmental grant from the department of state police.

(2) If the state appellate defender office receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend not more than \$300,000.00 in federal grant funds.

Sec. 314. (1) From the funds appropriated in part 1 for drug treatment courts, the judiciary shall maintain a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

(2) Not later than March 1, the judiciary shall report on the medication-assisted treatment program. The report must include itemized spending by court, the number of participants, and statistics that indicate average program participation duration and success rates.

Sec. 316. (1) From the funds appropriated in part 1, the state appellate defender office shall operate the program to ensure this state's compliance with *Montgomery v Louisiana*, 577 US 190 (2016), *People v Parks*, 510 Mich 225 (2022), *People v Stovall*, 510 Mich 301 (2022), and *People v Poole*, ___ Mich App ___, ___ NW2d ___ (2024) (Docket No. 02-000893-02). The purpose of the program is to ensure competent, resourced, and supervised counsel in cases that involve resentencing individuals who are serving a life sentence for an offense committed when the individuals were 18 years of age or younger.

(2) The state appellate defender office shall submit a report not later than March 1 on the number of cases investigated and prepared by the state appellate defender office under subsection (1). The report must include a calculation of the hours spent and the incremental costs associated with the investigation and robust examination of each case.

Sec. 317. (1) The funds appropriated in part 1 for Michigan appellate assigned counsel system roster attorney compensation grants must be deposited into the restricted Michigan appellate assigned counsel system attorney compensation fund created in subsection (2).

(2) The Michigan appellate assigned counsel system attorney compensation fund is created in the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund and credit to the fund interest and earnings from fund investments. Unexpended funds at the close of the fiscal year must remain in the fund and shall not lapse to the general fund. The judicial branch shall be the administrator of the fund for auditing purposes. The judicial branch shall expend money from the fund to provide payments to indigent defense systems as provided under section 8a of the appellate defender act, 1978 PA 620, MCL 780.718a.

(3) All funds available in the Michigan appellate assigned counsel system attorney compensation fund are appropriated and available for expenditure as provided by law.

ONE-TIME APPROPRIATIONS

Sec. 401. (1) Funds appropriated in part 1 for eviction diversion pilot program must be allocated by the state court administrative office to a district court located in a county with a population of between 350,000 and 385,000 according to the most recent federal decennial census. Funds must be used to assist tenants experiencing financial hardship through a collaborative program designed to settle landlord-tenant disputes and prevent eviction and homelessness. The state court administrative office shall submit a report not later than March 1 on the number of program participants, the number of disputes settled, the number of evictions avoided, and other program outcomes, including the benefit of the program to participants and the benefit of the program to this state.

(2) The unexpended funds appropriated in part 1 for eviction diversion pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to assist tenants experiencing financial hardship through a collaborative program designed to settle landlord-tenant disputes and prevent eviction and homelessness.

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

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 402. (1) From the funds appropriated in part 1 for status offender pilot program, the state court administrative office, under the direction and supervision of the supreme court, shall establish a grant program to award 5 eligible courts with grants up to \$100,000.00 for innovative, community-based diversion programs and services that work solely with youth for whom the court receives a complaint, referral, or petition for what is alleged to be a status offense. The state court administrative office may partner with the Michigan department of health and human services and the Michigan committee on juvenile justice to identify and award grants to up to 5 Michigan courts.

(2) The unexpended funds appropriated in part 1 for the status offender pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for selected courts to divert youth charged or alleged to have committed a status offense away from the juvenile court system.

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

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 403. (1) From the funds appropriated in part 1 for operation drive, the state court administrative office shall allocate \$500,000.00 to the following locations according to the most recent federal decennial census:

(a) To a district court in a city with a population of between 64,500 and 67,000.

(b) To a district court in a charter township with a population of between 34,500 and 37,500.

(c) To a district court in a city with a population of between 75,500 and 76,400.

(d) To a district court in a city with a population of between 86,500 and 89,500.

(2) From the funds appropriated in part 1 for operation drive, the state court administrative office shall allocate \$500,000.00 to district courts in this state that want to establish the operation drive program.

(3) Funds must be used by district courts, in consultation with a district court located in a city with a population of between 57,500 and 58,500, according to the most recent federal decennial census, to assist individuals with regaining driving privileges. The program shall provide individuals with guidance on how to address underlying issues that led to a driver license suspension, guidance on how to maintain the individuals' responsibility to regain driving privileges, and guidance on how to address traffic tickets, warrants, court appearances, and payment of fees and fines.

(4) The unexpended funds appropriated in part 1 for operation drive are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to expand the operation drive program to assist individuals with regaining driving privileges.

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

(c) The total estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 404. (1) From the funds appropriated in part 1 for prescription compliance through oral fluid testing program, the state court administrative office shall allocate \$500,000.00 to continue the prescription compliance through oral fluid testing program in veterans treatment courts, mental health treatment courts, and drug treatment courts to determine compliance with requirements set by the treatment court. The state court administrative office must submit a report on the program not later than March 1. The report must include, but is not limited to, information on the number of programs, the number of program participants in each jurisdiction, the number of tests completed, program testing and results, program treatment, and program outcomes, including the rearrest rate of participants who are in the program and the benefit to this state of using oral fluid testing.

(2) The unexpended funds appropriated in part 1 for prescription compliance through oral fluid testing program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to continue the prescription compliance through oral fluid testing program in veterans treatment courts, mental health treatment courts, and drug treatment courts.

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

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2029.

ARTICLE 9

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of labor and economic opportunity for the fiscal year ending September 30, 2025 from the following funds:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	34.5	
Full-time equated classified positions	2,637.0	
GROSS APPROPRIATION	\$	2,430,969,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	2,430,969,500
Federal revenues:		
Total federal revenues		1,191,165,800
Special revenue funds:		
Total local revenues		10,700,000
Total private revenues		12,584,600
Total other state restricted revenues		413,774,700
State general fund/general purpose	\$	802,744,400
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	34.5	
Full-time equated classified positions	66.0	
Unclassified salaries—FTEs	34.5\$	4,739,900
Executive direction and operations—FTEs	66.0	10,852,200
Property management		6,353,600
GROSS APPROPRIATION	\$	21,945,700

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living	\$	3,355,000
DOL, federal funds		3,257,200
DOL-ETA, unemployment insurance		2,619,000
DOL - occupational safety and health		517,300
Federal funds		2,550,500
Special revenue funds:		
Asbestos abatement fund		52,200
Corporation fees		1,881,500
Michigan state housing development authority fees and charges		658,500
Private occupational school license fees		55,700
Radiological health fees		293,200
Safety education and training fund		784,700
Second injury fund		276,200
Securities fees		2,092,700
Self-insurers security fund		151,000
Silicosis and dust disease fund		114,200
Worker's compensation administrative revolving fund		91,300
State general fund/general purpose	\$	3,195,500
Sec. 103. WORKFORCE DEVELOPMENT		
Full-time equated classified positions	233.0	
23+ high school diploma program	\$	3,000,000
At-risk youth grants		5,700,000
Community and worker economic transition office—FTEs	10.0	2,500,000
Going pro		54,750,000
Helmets to hardhats		250,000
High school equivalency-to-school program		250,000
Michigan office of rural prosperity—FTE	1.0	697,400
MiSTEM advisory council—FTEs	3.0	665,300
Office of future mobility and electrification		2,000,000
Volunteer income tax assistance grants		1,000,000
Workforce development—FTEs	219.0	439,502,800
GROSS APPROPRIATION	\$	510,315,500
Appropriated from:		
Federal revenues:		
DAG, employment and training		4,000,400
DED-OESE, GEAR-UP		5,500,000
DED-OVAE, adult education		20,000,000
DED-OVAE, basic grants to states		19,000,000
DOL, federal funds		106,345,500
DOL-ETA, workforce investment act		173,488,600
Federal funds		21,759,300
Social security act, temporary assistance for needy families		63,698,800
Special revenue funds:		
Local revenues		300,000
Private funds		5,291,300
Contingent fund, penalty and interest		22,134,400
Defaulted loan collection		181,100
State general fund/general purpose	\$	68,616,100
Sec. 104. REHABILITATION SERVICES		
Full-time equated classified positions	671.0	
Bureau of services for blind persons—FTEs	116.0\$	29,736,700

		For Fiscal Year Ending Sept. 30, 2025
Centers for independent living	\$	19,718,600
Michigan rehabilitation services—FTEs	555.0	145,412,200
Personal assistance services reimbursement for employment program		400,000
Subregional libraries state aid		451,800
GROSS APPROPRIATION	\$	195,719,300
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		137,598,800
Federal funds		1,461,000
Supplemental security income		8,588,600
Special revenue funds:		
Local - blind services		100,000
Local - vocational rehabilitation match		5,300,000
Private - blind services		111,800
Private - gifts, bequests, and donations		531,500
Michigan business enterprise program fund		350,000
Rehabilitation service fees		150,300
Second injury fund		38,300
State general fund/general purpose	\$	41,489,000
Sec. 105. EMPLOYMENT SERVICES		
Full-time equated classified positions	409.0	
Bureau of employment relations—FTEs	22.0\$	4,605,900
Compensation supplement fund		820,000
First responder presumed coverage claims		4,000,000
Insurance funds administration—FTEs	23.0	4,817,500
Michigan occupational safety and health administration—FTEs	217.0	37,474,600
Office of global Michigan—FTEs	15.0	43,949,800
Private and occupational distance learning—FTEs	3.0	872,400
Radiation safety section—FTEs	26.0	4,106,100
Wage and hour program—FTEs	33.0	4,555,000
Worker's compensation board of magistrates—FTEs	10.0	2,302,400
Worker's disability compensation agency—FTEs	56.0	9,982,500
Worker's disability compensation appeals commission—FTEs	4.0	355,100
GROSS APPROPRIATION	\$	117,841,300
Appropriated from:		
Federal revenues:		
DOL, occupational safety and health		15,784,200
HHS, mammography quality standards		513,300
HHS, refugee assistance program fund		38,419,100
Special revenue funds:		
Asbestos abatement fund		959,200
Corporation fees		11,533,100
Distance education fund		376,500
First responder presumed coverage fund		4,000,000
Private occupational school license fees		495,900
Radiological health fees		3,592,800
Safety education and training fund		11,499,800
Second injury fund		2,454,900
Securities fees		11,054,400
Self-insurers security fund		1,647,600
Silicosis and dust disease fund		715,000
Worker's compensation administrative revolving fund		3,396,900
State general fund/general purpose	\$	11,398,600

For Fiscal Year
Ending Sept. 30,
2025

Sec. 106. UNEMPLOYMENT INSURANCE AGENCY

Full-time equated classified positions	744.0	
Unemployment insurance agency—FTEs	736.0\$	297,186,400
Unemployment insurance agency - advocacy assistance		1,500,000
Unemployment insurance appeals commission—FTEs	8.0	4,430,600
GROSS APPROPRIATION	\$	303,117,000
Appropriated from:		
Federal revenues:		
DOL-ETA, unemployment insurance		280,357,100
Special revenue funds:		
Contingent fund, penalty and interest		22,759,900
State general fund/general purpose	\$	0

Sec. 107. COMMISSIONS

Full-time equated classified positions	23.0	
Asian Pacific American affairs commission—FTE	1.0\$	223,600
Commission on Middle Eastern American affairs—FTE	1.0	214,000
Hispanic/Latino commission of Michigan—FTE	1.0	296,200
Michigan community service commission—FTEs	14.0	19,614,300
Michigan women's commission—FTEs	2.0	1,540,400
Prosperity—FTEs	4.0	600,000
GROSS APPROPRIATION	\$	22,488,500
Appropriated from:		
Federal revenues:		
Federal funds		18,200,200
Special revenue funds:		
Private funds		1,250,000
State general fund/general purpose	\$	3,038,300

Sec. 108. INFORMATION TECHNOLOGY

Information technology services and projects	\$	29,785,900
GROSS APPROPRIATION	\$	29,785,900
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		3,193,100
DOL-ETA, unemployment insurance		23,003,200
DOL, occupational safety and health		372,300
Special revenue funds:		
Asbestos abatement fund		35,300
Corporation fees		343,400
Distance education fund		20,700
Private occupational school license fees		82,400
Radiological health fees		155,900
Safety education and training fund		403,300
Second injury fund		180,700
Securities fees		1,064,900
Self-insurers security fund		125,600
Silicosis and dust disease fund		45,000
State general fund/general purpose	\$	760,100

Sec. 109. STRATEGIC OUTREACH AND ATTRACTION RESERVE

Critical industry program	\$	100
Michigan strategic site readiness program		100
GROSS APPROPRIATION	\$	200
Appropriated from:		
Special revenue funds:		
Strategic outreach and attraction reserve fund		200
State general fund/general purpose	\$	0

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 110. MICHIGAN STRATEGIC FUND		
Full-time equated classified positions	164.0	
Arts and cultural program	\$	12,379,200
Business attraction and community revitalization		100,000,000
Community college skilled trades equipment program		4,600,000
Entrepreneurship ecosystem		15,650,000
Facility for rare isotope beams		7,300,000
Job creation services—FTEs	164.0	31,570,100
Lighthouse preservation program		307,500
Michigan defense center program		5,000,000
Pure Michigan		26,000,000
Revitalization and placemaking program		50,000,000
GROSS APPROPRIATION	\$	252,806,800
Appropriated from:		
Federal revenues:		
Federal funds		3,000,000
NFAH-NEA, promotion of the arts, partnership agreement		1,050,000
State historic preservation, national park service grants		1,900,000
Special revenue funds:		
Local promotion fund		5,000,000
Private - Michigan council for the arts fund		200,000
Private - promotion fund		5,000,000
Private - special project advances		200,000
21st century jobs trust fund		75,000,000
Contingent fund, penalty and interest		4,600,000
Michigan lighthouse preservation fund		307,500
Michigan state housing development authority fees and charges		4,811,300
Revitalization and placemaking fund		50,000,000
State brownfield redevelopment fund		3,002,100
State historic preservation office fees and charges		503,500
State general fund/general purpose	\$	98,232,400
Sec. 111. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Full-time equated classified positions	318.0	
Community development block grants	\$	47,000,000
Housing and rental assistance—FTEs	318.0	51,448,200
Michigan housing and community development program		50,000,000
MSHDA technology services and projects		3,749,700
Payments on behalf of tenants		166,860,000
Property management		3,506,500
GROSS APPROPRIATION	\$	322,564,400
Appropriated from:		
Federal revenues:		
HUD, lower income housing assistance		166,860,000
HUD-CPD, community development block grant		49,773,300
Special revenue funds:		
Michigan housing and community development fund		50,000,000
Michigan state housing development authority fees and charges		55,931,100
State general fund/general purpose	\$	0
Sec. 112. STATE LAND BANK AUTHORITY		
Full-time equated classified positions	9.0	
State land bank authority—FTEs	9.0\$	6,397,900
GROSS APPROPRIATION	\$	6,397,900

	For Fiscal Year Ending Sept. 30, 2025
Appropriated from:	
Federal revenues:	
Federal funds	\$ 1,000,000
Special revenue funds:	
Land bank fast track fund	3,370,500
State general fund/general purpose	\$ 2,027,400
Sec. 113. ONE-TIME APPROPRIATIONS	
Agricultural tourism hub redevelopment	\$ 2,000,000
Auto show public safety	225,000
Brownstown municipal infrastructure	1,500,000
Center for social enterprise development	1,000,000
Centers for independent living	1,000,000
Chinatown development	1,000,000
Community development	100,000
Community development financial institutions fund grants	5,000,000
Community enhancement grants	140,852,000
Community museum grants	18,000,000
Developing kids	1,000,000
Downtown development	150,000
Focus: HOPE	1,000,000
Forest products workforce training and development program	750,000
Foster care aging-out services	100,000
Health and healing center	1,500,000
Healthcare grants	43,025,000
High-impact tutoring pilot program	500,000
Hispanic community center	750,000
Holistic workforce development	1,000,000
Housing grants	3,850,000
Housing programs	66,600,000
Housing readiness incentive grant program	2,325,000
Housing stock and homeowner affordability	33,400,000
Infrastructure grants	102,460,000
Jewish family services	1,200,000
Junior achievement	1,000,000
Language access	500,000
L!fe leaders	750,000
Math and reading academies	1,000,000
Michigan innovation fund	60,000,000
Michigan women forward	1,500,000
Michigan Works! skills scholarships	1,000,000
Michigan's high-tech talent initiative	2,000,000
Minority-owned business support	10,000,000
Nutritional support program grant	2,000,000
Office of global Michigan	1,000,000
Office of rural prosperity grants	2,500,000
Police athletic league	250,000
Post-incarceration employment	1,000,000
Prosperity bureau	500,000
PsyGenics	250,000
Public safety grants	45,800,000
Pure Michigan	14,000,000
Reignite	250,000
Right to counsel	1,500,000

	For Fiscal Year Ending Sept. 30, 2025
School psychologists programming	\$ 1,000,000
SER metro	750,000
Short-term loan grants	2,500,000
Small business development	3,000,000
Starfish family services	2,000,000
Symphony orchestra grants	6,000,000
Talent and growth	45,500,000
Walkabouts multisensory movement-based learning	500,000
Wayne metro	2,500,000
Winter sports Muskegon	1,500,000
Women of tomorrow	200,000
Workforce development grants	4,000,000
Young adult wellbeing and success	1,000,000
Youth career development program	450,000
GROSS APPROPRIATION	\$ 647,987,000
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	14,000,000
Special revenue funds:	
21st century jobs trust fund	60,000,000
State general fund/general purpose	\$ 573,987,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$1,216,519,100.00 and state spending under part 1 from state sources to be paid to local units of government is \$75,654,900.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY	
Arts and cultural program	\$ 1,200,000
At-risk youth grants	5,700,000
Brownstown municipal infrastructure	1,500,000
Going pro	53,655,000
Housing readiness incentive grant program	2,325,000
Michigan rehabilitation services	275,000
Workforce development programs	10,999,900
TOTAL	\$ 75,654,900

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

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

(a) “Department” means the department of labor and economic opportunity and entities contained within its organization, including, but not limited to, the fund.

(b) “Director” means the director of the department.

(c) “FTE” means full-time equated.

(d) “Fund”, unless the context clearly implies a different meaning, means the Michigan strategic fund.

(e) “MEDC” means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the fund.

(f) “MEGA” means the Michigan economic growth authority.

(g) “MSHDA” means the Michigan state housing development authority.

(h) “MiSTEM” means Michigan science, technology, engineering, and mathematics.

(i) "PATH" means Partnership. Accountability. Training. Hope.

(j) "Standard report recipients" means the senate and house appropriations subcommittees on labor and economic opportunity, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(k) "STEM" means science, technology, engineering, and mathematics.

(l) "USDOL" means the United States Department of Labor.

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

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

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$30,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$560,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$11,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 213. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 214. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises 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 geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 215. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the standard report recipients and the senate and house appropriations committees.

Sec. 216. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 217. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 218. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 220. Requirements under this part applicable to the fund and the fund's activities apply regardless of whether the fund delegates its functions and authority to the MEDC.

Sec. 221. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 222. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 301. General fund appropriations in part 1 must not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 302. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the standard report recipients not later than 10 business days after receiving any additional pass-through funds.

Sec. 303. As a condition of receiving funds appropriated in part 1, the department must utilize SIGMA as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures must be reported in a timely manner.

Sec. 304. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the senate and house chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) must not exceed \$1,500,000.00.

Sec. 305. (1) The department may charge registration fees to attendees of informational, training, or special events that are sponsored by the department and related to activities that are under the department's purview.

(2) The fees under subsection (1) must reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees under subsection (1) is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees under this section in excess of the department's costs of sponsoring informational, training, or special events must carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) must not exceed \$500,000.00.

Sec. 306. (1) The department may sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents must revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only to R 418.10101 to R 418.101504 of the Michigan Administrative Code.

(2) Unexpended funds at the end of the fiscal year must carry forward to the subsequent fiscal year and not lapse to the general fund. The money carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

Sec. 307. If the revenue collected by the department for radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue must be carried forward into the subsequent fiscal year. The revenue carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

Sec. 308. Funds appropriated in part 1 must not be used by a department, authority, or agency to purchase an ownership interest in a casino.

STRATEGIC OUTREACH AND ATTRACTION RESERVE

Sec. 351. Up to \$500,000,000.00 from the strategic outreach and attraction reserve fund is appropriated to the strategic outreach and attraction reserve fund established in section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254. Funds appropriated in this section must be used to support activities under section 88s or 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s and 125.2088t, after they have been transferred to another line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Pursuant to section 4(2) of the Michigan trust fund act, 2000 PA 489, MCL 12.254, funds appropriated under this section that are not restricted, obligated, or committed at the close of the fiscal year ending September 30, 2025 must lapse to the state general fund.

Sec. 352. The legislature finds and declares that appropriations for the critical industry program and the Michigan strategic site readiness program are for a public purpose and serve the health, safety, and general welfare of the residents of this state.

Sec. 353. (1) It is the intent of the legislature that the funds appropriated in part 1 for the critical industry program and the Michigan strategic site readiness program are expended in a manner that will maximize job creation, grow wages, support existing business in this state, attract new business development to this state, and include community support and equity.

(2) It is the intent of the legislature that the fund prioritize the adoption of conditions related to the expense of funds in part 1 that include, but are not limited to, the following:

(a) Claw-back provisions in a written agreement between the fund and a qualified business relating to the creation or retention of jobs must be structured to ensure that those jobs are retained for not less than 5 years.

(b) Projects must be located in a qualified census tract, as defined by the United States Department of Housing and Urban Development, or in communities with an unemployment rate in excess of the state average.

(c) A written agreement between the fund and a qualified business or eligible applicant that must include a first-source hiring provision between the qualified business or eligible applicant and an entity or entities recommended by the workforce development agency serving the area where the project is located.

(d) A written agreement between the fund and a qualified business or eligible applicant that must include a community benefits agreement as determined by the fund.

(e) A written agreement between the fund and a qualified business or eligible applicant that must require the qualified business or eligible applicant to offer employee services that may include, but not be limited to:

(i) Child care services.

(ii) Transportation supports.

(iii) Postsecondary educational institutions.

(iv) Customized assistance programs for employees.

(v) Customized job training programs, job readiness programs, or extension programs.

(vi) Credential requirements pipeline programs.

(vii) Workforce talent investment programming.

(viii) Tuition debt forgiveness or repayment supports.

(ix) Outreach, screening, preapplication support, and interviewing services.

(x) On-site training and support centers.

(3) As used in this section:

(a) "Eligible applicant" means that term as defined under section 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t.

(b) "Qualified business" means that term as defined under section 88s of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 401. (1) Not later than March 15, MSHDA shall present an annual report to the standard report recipients on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report must give special attention to efforts to raise affordable multifamily, single-family, and manufactured family housing production goals.

(2) MSHDA shall not restrict eligibility in any financing program for housing units without a permanent foundation unless this restriction is required by the funding source.

(3) MSHDA shall report on production goals to the standard report recipients not later than March 15. The report must include information on efforts to raise affordable multifamily and single-family housing goals and a summary of each program, the status of goal progress, and an explanation of how the programs are utilized by citizens of this state.

Sec. 402. The funds appropriated in part 1 for the Michigan housing and community development program must be expended for projects as described in sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.

Sec. 403. From the funds appropriated in part 1 for housing and rental assistance, not less than 2.0 FTE positions must work to the extent permissible with the department of health and human services on transition and supportive housing to support the transition to permanent housing with MSHDA.

STATE LAND BANK AUTHORITY

Sec. 451. (1) In addition to the amounts appropriated in part 1, the state land bank authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority. The state land bank authority may establish partnerships with local land bank authorities.

(2) Not later than March 15, the state land bank authority shall submit a report to the standard report recipients on the number of real properties acquired, leased, managed, demolished, maintained, or rehabilitated in the previous fiscal year and list any partnerships that the state land bank authority has with any local land bank authorities.

MICHIGAN STRATEGIC FUND

Sec. 501. The report required under section 9 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, must be transmitted not later than March 15.

Sec. 502. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of this state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. If the fund receives revenues from the use of "Pure Michigan", the fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report must provide a detailed list of expenditures of revenues received under this section. The report must be provided to the standard report recipients not later than March 15.

Sec. 503. (1) Funds appropriated in part 1 for Pure Michigan must be used for the following purposes:

(a) Conduction of market research regionally, nationally, and internationally for use in market campaigns.
(b) Production of advertisements for the promotion of Michigan as a place to live, learn, build, work, play, and succeed.

(c) Placement of advertisements that have a diverse representation in regional, national, and international market campaigns to promote Michigan as a state that welcomes all individuals and families.

(d) Not more than 4.25% of the appropriation for administration of the program.

(e) Matching marketing campaigns funded from the local promotion fund or private promotion fund.

(2) The fund may contract any of the activities under subsection (1).

(3) The fund may work in cooperation with local units of government, nonprofit entities, and private entities on Pure Michigan promotion campaigns. The fund shall include agreements prior to undertaking cooperative marketing campaigns.

(4) The department shall provide an annual report to the standard report recipients not later than March 15, on the utilization of funds for eligible activities in subsection (1), including a breakdown by eligible use, efforts taken to broaden the scope of marketing activities to diverse populations, a breakdown of funds spent within this state and outside of this state, and targeted marketing to encourage residents from other states to move to this state.

(5) As prescribed by the legislature, funds appropriated to Pure Michigan must be used for this state to market itself as a travel and tourist destination with the sole purpose of attracting new visitors and retaining former visitors. All of the following apply to marketing under this subsection:

(a) Promotion may be made by print, television, radio, and social media.

(b) The purpose of the advertisements under subdivision (a) must be to attract tourism and leisure travelers to this state.

(c) Advertisements that incorporate the Pure Michigan Byways campaign satisfy the requirement under subdivision (b).

(6) Once deposited, the MEDC shall use funds appropriated in part 1 for Pure Michigan exclusively for the purpose of marketing this state as a travel and tourist destination. The MEDC shall not use the funds to sponsor or support non-tourism incentives and campaigns that do either of the following:

(a) Seek to attract talent to this state.

(b) Incentivize out-of-state registered nonprofit or for-profit businesses to establish, transfer, or dissolve business operations domestically or internationally in order to transfer that business to this state.

Sec. 504. (1) A local promotion fund is created in the department. The fund may receive funds from local units of government and nonprofit entities and deposit these funds into the local promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for local units of government and nonprofit entities that deposit funds into the local promotion fund upon request from a local unit of government. As used in this subsection, "local unit of government" includes cities, villages, townships, counties, and regional councils of government.

(2) Local promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance must be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(4) The department shall provide a report to the standard report recipients not later than March 15 on any funds that have been generated by local units of government and how those funds have been expended.

Sec. 505. (1) A private promotion fund is created in the department. The fund may receive funds from private entities and deposit these funds into the private promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for private entities that deposit funds into the private promotion fund upon request from a private entity.

(2) Private promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance shall be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

Sec. 506. (1) As a condition of receiving funds appropriated in part 1, the fund must provide a report of all approved amendments to projects for the immediately preceding year under sections 88r and 90b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088r and 125.2090b. The report must provide a description of each amendment, by award, that includes, but is not limited to, the following:

(a) The amended award amount relative to the prior award amount.

(b) The amended number of committed jobs relative to the prior number of committed jobs.

(c) The amended amount of qualified investment committed relative to the prior amount of qualified investment committed.

(d) A description of any change in scope of the project.

(e) A description of any change in project benchmarks, deadlines, or completion dates.

(f) The reason or justification for the amendment approval.

(2) In addition to being posted online, the report must be distributed to the standard report recipients not later than March 15.

Sec. 507. (1) As a condition of receiving funds appropriated in part 1, the fund must request the following information from the MEDC:

(a) Approved budget from the MEDC executive committee for the current fiscal year and actual budget expenditures for the previous fiscal years.

(b) Expenditures and revenues as part of the current and previous year budgets, including the available fund balance for the current and previous fiscal years.

(c) The total number of FTEs, by state and corporate status.

(d) A reporting of activities, programs, and grants consistent with the previous fiscal year budget.

(e) A description of all subprograms funded with the business attraction and community revitalization line item.

(2) Information received by the fund under this section must be posted online and distributed to the standard report recipients not later than March 15.

Sec. 508. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund must include language that states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 509. (1) Of the funds appropriated to the fund or through grants to the MEDC, funds must not be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

(a) The land is located in an economically distressed area.

(b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.

(c) The land is obtained from the state land bank or a local land bank authority.

(2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

(4) If land or options on land are purchased under subsection (1), the fund shall provide a report that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted to the standard report recipients not later than March 15.

Sec. 510. As a condition for receiving funds in part 1, not later than March 15, the fund shall provide a report for the previous fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report must include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing must include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 511. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance must be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds, including encumbered funds subsequently unobligated, must be used for the same purposes for which funding was originally appropriated in this part and part 1.

(3) For funds appropriated in part 1 to the fund, any carryforward authorization subsequently created through a work project must be preserved until a cash or accrued expenditure has been executed or the allowable work project time period has expired.

Sec. 512. (1) As a condition of receiving funds under part 1, the fund must ensure that the MEDC and the fund comply with all of the following:

(a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(c) Annual audits of all financial records by the auditor general or the auditor general's designee.

(d) All reports required by law to be submitted to the legislature.

(2) If the MEDC is unable for any reason to perform duties under this part, the fund may exercise those duties.

Sec. 513. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities must not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the critical industry program, the Michigan strategic site readiness program, the MEDC, or the MEGA.

Sec. 514. From the funds appropriated in part 1 for business attraction and community revitalization, not less than 20% must be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 515. (1) The fund shall report to the standard report recipients on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide the fund with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

(a) The tax credit provided under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.

(b) The tax credit provided under section 457 of the Michigan business tax act, 2007 PA 36, MCL 208.1457.

(c) The tax credit provided under section 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1459.

(d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.

(e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088d.

(2) The report must include all of the following information:

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For loans, the number of loans made under each section, the interest rate of those loans, the loan amount, the percent of the projected budget of each production financed by those loans, and the estimated interest earnings from the loan.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state.

(c) For loans, the report must include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

(d) For each of the tax credit incentives and loan incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(i) The number of temporary jobs created.

(ii) The number of permanent jobs created.

(iii) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

(a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.

(b) Attest that the information has not been publicly disseminated at any time.

(c) Describe how disclosure of the information may put the company at a competitive disadvantage.

(4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, must be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

(5) As a condition of receiving funds in part 1, not later than March 15, the fund shall provide a report on the activities of the Michigan film and digital media office for the previous fiscal year to the standard report recipients. The report must include, but is not limited to, a listing of all projects the Michigan film and digital media office provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged.

Sec. 516. As a condition of receiving an award from the fund, each business incubator or accelerator that received an award from the fund must maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators must include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators must be reported for the previous fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports not later than March 15.

Sec. 517. (1) From the appropriations in part 1, the Michigan arts and culture council shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) Not later than October 1, publish proposed application criteria, instructions, and forms for use by eligible applicants. The council shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) Assess a nonrefundable application fee that may be applied for each application. Application fees must be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the subsequent fiscal year.

(c) Issue grants to public and private arts and cultural entities.

(d) Not later than 1 business day after the award announcements, provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(e) In addition to the information in subdivision (d), report on the number of applications received, number of grants awarded, total amount requested from applications received, and total amount of grants awarded.

(2) Up to 3% of the funds appropriated in part 1 for arts and cultural program may be expended for the administration of the grant program.

(3) From the funds appropriated in part 1 for arts and cultural program, \$250,000.00 must be awarded to a program that supports folk and traditional arts and is based at a 4-year public university located in a city with a population between 40,000 and 50,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census.

(4) From the funds appropriated in part 1 for arts and cultural program, \$1,000,000.00 must be awarded to a cultural exchange network to support a diversity, music, and arts festival that is free to the public and located in a city with a population over 600,000 according to the most recent federal decennial census.

Sec. 518. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization must be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(2) Funds transferred to the 21st century jobs trust fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 519. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly to the standard report recipients on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended by current fiscal year appropriation and each work project for any previous fiscal years. The report must also include a listing of all previous appropriations for business attraction and community revitalization, or a predecessor, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report must be submitted to the standard report recipients.

Sec. 520. (1) The fund, in conjunction with the department of treasury, shall report not later than November 1 on the annual cost of the MEGA tax credits. The report must include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report must include the total of actual certificated credit amounts. For years that claims are still pending or not yet submitted, the report must include a combination of actual credits where available and projected credits. Credit projections must be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the standard report recipients not later than November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report must include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 521. As a condition of receiving appropriations in part 1, prior to authorizing the transfer of any previously authorized tax credit that would increase the liability to this state, the fund, on behalf of the fund's board, must notify the standard report recipients of the transfer of any previously authorized tax credit that would increase the liability to this state not fewer than 30 days prior to the authorization of the tax credit transfer.

Sec. 522. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Total verified jobs created by the business attraction program during the previous fiscal year.

(b) Total private investment obtained through the business attraction and community revitalization programs during the previous fiscal year.

(c) Amount of private and public square footage created and reactivated through the community revitalization program during the previous fiscal year.

(2) The fund shall submit a report to the standard report recipients not later than March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the previous fiscal year if related information is available for the previous fiscal year. The report must also contain a summary of any metrics used to evaluate the outcomes and performance of any programs.

Sec. 523. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 524. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, and for both calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the fund for administrative expenses, are appropriated under the provisions of chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 525. The department shall provide a report to the standard report recipients on March 15 that includes, but is not limited to, fiscal year-to-date expenditures by division and program unit within the job creation services line item. The report must contain detailed information on expenditures and programs within the state historic preservation office, including a list of any entities that receive financial support from the state historic preservation office.

Sec. 526. The funds appropriated in part 1 for Michigan defense center program must be used by the fund to protect and grow the defense and homeland security industry in Michigan by protecting the state's current department of defense missions, infrastructure, and industry, including securing new missions and increasing defense and homeland security spending in this state. These funds may be used for, but are not limited to, the following activities:

(a) Helping Michigan businesses identify federal defense contract opportunities.

(b) Providing technical assistance for bid responses to federal defense contracts.

(c) Strengthening cybersecurity compliance at Michigan businesses to qualify for federal defense contracts.

Sec. 527. The funds appropriated in part 1 for revitalization and placemaking program must be expended for projects as described in section 696 of the income tax act of 1967, 1967 PA 281, MCL 206.696.

Sec. 528. (1) The funds appropriated in part 1 for revitalization and placemaking program must be deposited in accordance with section 695 of the income tax act of 1967, 1967 PA 281, MCL 206.695. Of the total appropriation, \$25,000,000.00 must be used by the department to administer the revitalization and placemaking program and the remaining amount must be expended for the Michigan talent partnership program consistent with section 696 of the income tax act of 1967, 1967 PA 281, MCL 206.696.

(2) The Michigan talent partnership program under this section must be used to implement transformational public space development projects in central city neighborhoods or concentrated districts and leverage interdepartmental and cross-sector coordination through local talent plans that are designed to increase this state's population of young talent by creating high-density, high-amenity, walkable, vibrant street life neighborhoods or districts, and to create business ownership opportunities for local residents. Qualified plan proposals must include all of the following:

(a) The transition of roadway usage from cars to alternative transportation spaces, including, but not limited to, walking, biking, and transit.

(b) Commercial corridor activation, including innovations to fill vacant retail space with locally owned businesses.

(c) Mixed-use development that contributes to dense, walkable areas.

(d) A plan to do all of the following:

(i) Support greater density.

(ii) Increase access to affordable or middle-income housing.

(iii) Improve direct access to multi-modal transportation.

(iv) Improve quality of life through increased parks, green spaces, outdoor recreation, and arts and cultural amenities.

(3) The legislature finds and declares that the appropriation described in this section is for a public purpose and serves the health, safety, and general welfare of the residents of this state.

(4) The department may do the following to implement the program:

(a) Develop guidelines to accept and review local plans from eligible applicants and award funding for approved local plans to increase this state's population of young talent by creating high-density, high-amenity, walkable, vibrant street life neighborhoods or districts, and to create business ownership opportunities for local residents.

(b) Consult with local stakeholders, provide education and consultation to the public during the application process, and regularly monitor implementation progress of approved local plans.

(c) Review existing best practices for similar programs and consult with third-party experts, including academic and research institutions based in this state.

(d) Lead a multi-agency coordination effort to leverage all available resources that will maximize the effectiveness of the initiative. As necessary, the department may establish memoranda of understanding with other state agencies or establish a committee of state agency representatives to support the initiative.

(5) The department shall allocate funding for the program through the development and submission of local talent plans from eligible applicants that use a blend of layered, multifaceted activities in subsection (7) to meet the goals of this section.

(6) Eligible applicants for a grant must be a consortium of entities that may include local governments, local economic development organizations, the nonprofit community, and the business community. Consortium applicants must appoint a lead applicant, which may be 1 of the consortium entities or a nonprofit organization, to serve as fiduciary and project manager for the consortium. An eligible applicant may partner with other government agencies, consortiums, authorities, and community anchor or nonprofit entities, to submit and implement an approved local plan. Notwithstanding local plan revisions or subsequent funding rounds, an eligible applicant shall not submit more than 1 local plan. Only grant applicants that provide a minimum of 50% local or private match funds may be considered for a grant under this section.

(7) Approved talent plans must include at least 1 of the following eligible activities to meet the objectives of the program:

(a) Planning, engineering, permitting review, and other local assessments to support implementation of a local talent plan.

(b) Demonstrated community engagement, stakeholder support, or commitment to the local talent plan. As applicable, stakeholders may include, but not be limited to:

(i) Neighborhood associations.

(ii) City councils, planning committees, or other local government agencies, including public safety agencies.

(iii) Economic development organizations or local businesses or business organizations.

(iv) Local anchor institutions.

(v) Local nonprofits, foundations, or community organizations.

(vi) Regional planning organizations or consortiums.

(vii) Public transit organizations.

(viii) Faith-based organizations.

(ix) Tribal governments.

(c) Plans for the redevelopment of existing housing stock.

(d) Plans to improve utilization of mixed-use and commercial property, including, but not limited to, the conversion of commercial space for affordable housing.

(e) Road repairs and other surface improvements that will increase walkability, access to green space, dedicated nonmotorized transportation, and access to rapid transit or high-speed rail.

(f) Supports for small businesses and emerging entrepreneurs, including access to credit and professional development.

(g) Plans to enhance parks, green space, community recreation, promotion of local artists or art installations, and outdoor social spaces.

(h) Activities to pursue other sources of funding to directly support a local plan, including other governmental funds or private resources.

(8) In addition to the eligible activities in subsection (7), approved local plans must include the following:

(a) A defined area such as a neighborhood, district, or corridor in which a local talent plan will be implemented. Unless identified as a supporting part of an approved talent plan, funds allocated to approved plans must only be used within the plan's defined area.

(b) A description of how local plan activities directly support the objectives in subsection (2).

(c) A description of how funds appropriated from part 1 will be used and any other funds or resources that will be provided to ensure a plan meets all the objectives of subsection (2).

(d) Identification of stakeholders that were engaged in the development and committed to the implementation of an approved plan.

(e) In addition to any state or federal resources, identification of local or private match funds or resources that will be committed.

(f) A proposed implementation timeline and demonstration of a plan's sustainability after any state or federal funds are exhausted.

(g) Identifiable goals and measurable outcomes to be used to monitor progress.

(9) To leverage existing programs and resources to support talent concentration, the department may establish a state agency workgroup to support the implementation of this section, including from agencies that oversee any programs related to housing, home repairs, blight elimination, business supports, community development, transportation or mobility, arts, and outdoor recreation.

(10) The department may retain up to 3% of funds under this section for implementation costs. The department may contract with at least 1 consultant that is a nonprofit research organization or public education institution based in this state with experience in at least placemaking research to support this section.

(11) The department shall establish methods to receive public feedback during the development and implementation of this section, post online the guidelines for local plans, and identify available research or resources that may be used to support the development of a talent plan.

(12) In evaluating each application and subject to subsection (13), the department shall use objective criteria, including, but not limited to, the comprehensive nature of the plan, the local support identified, long-term sustainability, and the likelihood to achieve the goals of the Michigan talent partnership program. The department must consider at least the following when selecting grant recipients:

(a) The extent to which a proposed plan will support the creation and ongoing success of locally owned businesses.

(b) The extent to which a proposed plan will create dense, walkable, vibrant spaces.

(c) The extent to which zoning and code restrictions have been, or will need to be, modified to support high-density residential development.

(d) The extent to which the proposed plan supports facilities and walkways that house or present cultural arts programs, performances, and exhibitions.

(e) The extent to which the proposed plan provides mixed-income housing.

(f) The likelihood of successful implementation of a proposed plan and its sustainability.

(13) The department shall award funding to the following:

(a) \$18,000,000.00 in total less the amount retained for implementation costs to 1 project in each of the following cities:

(i) A city with a population greater than 500,000 according to the most recent federal decennial census.

(ii) A city with a population between 198,000 and 199,000 according to the most recent federal decennial census.

(iii) A city with a population between 112,000 and 113,000 according to the most recent federal decennial census.

(iv) A city with a population between 123,000 and 124,000 according to the most recent federal decennial census.

(b) \$7,000,000.00 in total less the amount retained for implementation costs to projects in all regional prosperity zones that meet the requirements of this section. Except as otherwise provided in this subdivision, no regional prosperity zone may receive more than 1 grant under this subdivision. The grants allocated in subsection (13)(a) are excluded when determining the limit under this subdivision.

(14) The department shall publish approved local plans and funding allocations from part 1. The department may approve subsequent rounds of funding for local plans if either funds become available or there are remaining funds from part 1. Remaining funds must be awarded in the same manner consistent with this section and, as necessary, prorated based on availability of funds.

(15) The department shall ensure grant agreements with applicants include regular progress reports and claw-back provisions to verify that all expenditures are made in accordance with an approved local plan. Applicants receiving funds under this section shall respond to all reasonable information requests from the department related to the funds received under this section.

(16) The department shall provide biannual updates on March 15 and September 30 to the standard report recipients on the implementation of this program, including, but not limited to:

(a) The utilization of funds allocated from part 1, including the amount and status of any funds allocated for approved local plans and the amount retained by the department or state agencies to support implementation of this section.

(b) As applicable, identify the activities undertaken by agency workgroup participants to communicate the implementation of local talent concentration plans to each of their respective agencies, and identification of any existing programs or resources that may be used to support the implementation of a local talent concentration plan.

(17) The unexpended portion of grants under this section are designated as a work project appropriation in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for grant

awards or other expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support transformational placemaking investments and leverage intergovernmental coordination to increase this state's population of young talent by creating high-density, high-amenity, walkable, and vibrant street life neighborhoods or districts, and to create business ownership opportunities for local residents.

(b) All grants must be distributed in accordance with this section and the grant guidelines as part of the application process and grant agreements between the department and grant recipients.

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

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

EMPLOYMENT SERVICES

Sec. 601. From the funds appropriated in part 1 for wage and hour program, the department shall conduct investigations of child labor violations and wage theft from workers.

WORKFORCE DEVELOPMENT

Sec. 701. The department shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 702. From the funds appropriated in part 1 for workforce development, the department may allocate funding for grants to nonprofit organizations that offer programs under the workforce innovation and opportunity act, 29 USC 3101 to 3361, for eligible youth that focus on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, or financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Census Bureau according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The department shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 703. From the funds appropriated in part 1, the department shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan works service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 704. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted funds allocated under the federal workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from previous fiscal years are appropriated for the purposes originally intended.

(2) The department shall report to the standard report recipients not later than February 15 on the amount, by fiscal year, of funds allocated under the federal workforce innovation and opportunity act, 29 USC 3101 to 3361, appropriated under this section.

Sec. 705. (1) The department shall publish data and reports on March 15 and September 30 on the department website concerning the status of going pro funded in part 1. The report must include the following:

(a) The number of awardees participating in the program and the names of those awardees organized by major industry group.

(b) The amount of funding received by each awardee under the program.

(c) The amount of funding leveraged from each awardee.

(d) The training models established by each awardee.

(e) The number of individuals enrolled in classroom training, on-the-job training, or new USDOL registered apprentices.

(f) The number of qualified employees who completed the approved training.

(g) The number of applications received and the number of grants awarded for each region.

(h) The number of individuals hired and trained.

(i) Going pro expenditures, by program or grant type, for the previous fiscal year and projected expenditures, by program or grant type, for the current fiscal year.

(2) The department shall expand workforce training and reemployment services to better connect workers to in-demand jobs and identify specific outcomes with performance metrics for this initiative, including, but not limited to, new apprenticeships, individuals to be hired and trained, current employees trained, training completed, employment retention rate at 6 months, and hourly wage at 6 months.

(3) The department shall provide a report to the standard report recipients not later than March 15 making recommendations for enhanced reporting on training outcomes associated with the going pro talent fund. The report must include an analysis of multiple suggestions for ways that this state could benefit from improved data collection and reporting and an analysis of the return on investment of the workforce program with a goal to retain talent in Michigan.

Sec. 706. To the extent consistent with sections 7 and 9 of the going pro talent fund act, 2018 PA 260, MCL 408.157 and 408.159, the department shall administer the program as follows:

(a) The department shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.

(b) The department, workforce development partners, including regional Michigan works agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The department shall ensure that going pro provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout this state.

(c) The department shall ensure that grants are utilized for individual skill enhancement and to address in-demand talent needs in Michigan.

(d) The department shall do all of the following:

(i) Develop program goals and detailed guidance for prospective participants to follow to qualify under the program.

(ii) Post the program goals and detailed guidance on the department's website and distribute the program goals and detailed guidance to workforce development partners, including local Michigan works agencies, not later than October 1.

(iii) Conduct periodic assessments of employer and employee needs that are evaluated on a regional basis.

(iv) Identify solutions and goals to be implemented to satisfy employer and employee needs.

(v) Add scoring criteria that incentivize awards to new and diverse program applicants.

(e) The department shall use not more than 2% of the total going pro appropriation for administration of the program.

(f) Not less than 5% of available funding must be reserved for businesses in talent fund priority industry sectors that submit competitive applications, including training plans exclusively focused on research and development or the operation, implementation, and development of emerging technologies.

Sec. 707. The funds appropriated in part 1 for MiSTEM advisory council must be used to support the staff for the MiSTEM network, and for administrative, training, and travel costs related to the MiSTEM council. The staff for the MiSTEM network shall do all of the following:

(a) Serve as a liaison among and between the department, the department of lifelong education, advancement, and potential, the department of education, the MiSTEM council, the governor's workforce development board, the MiSTEM regions, and any other relevant organization or entity in a manner that creates a robust statewide STEM culture, empowers STEM teachers, integrates business and education into the STEM network, and ensures high-quality STEM experiences for pupils.

(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.

(c) Work with the department of education and the MiSTEM council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.

(d) Report to the governor, the legislature, and the MiSTEM council annually on the activities and performance of the MiSTEM network regions.

(e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.

(f) Coordinate major grant application efforts with the MiSTEM council to assist regional staff with grant applications on a local level. The MiSTEM council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.

(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM council and the Michigan department of education.

(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.

Sec. 708. (1) From the funds appropriated in part 1 for workforce development, the department shall provide a report on the status of workforce development not later than March 15 to the standard report recipients. The report must include the following:

(a) The amount of funding allocated to each Michigan works agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan works agency.

(c) The average duration of training for training program participants by each Michigan works agency.

(d) The number of participants enrolled in remedial education programs and the number of participants enrolled in literacy programs.

- (e) The number of participants enrolled in programs at 2-year institutions.
- (f) The number of participants enrolled in programs at 4-year institutions.
- (g) The number of participants enrolled in proprietary schools or other technical training programs.
- (h) The number of participants that have completed education or training programs.
- (i) The number of participants who secured employment in Michigan within 1 year of completing a training program.
- (j) The number of participants who completed a training program and secured employment in a field related to their training.
- (k) The average wage earned by participants who completed a training program and secured employment within 1 year.
- (l) The actual revenues received by the fund source and fund appropriated for each discrete workforce development program area.

(2) Data collection for the report must be for the previous state fiscal year.

Sec. 709. From the funds appropriated in part 1 for helmets to hardhats, funds must be awarded to a national nonprofit program that connects national guard, reserve, retired, and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. Grant funding must be used to recruit and assist veterans to transition into apprenticeship programs in this state.

Sec. 710. (1) The funds appropriated in part 1 for the 23+ high school diploma program must be awarded for a program to assist adults over 23 years of age in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have at least 2 years of experience providing dropout recovery services in this state.

(3) The department shall issue a request for qualifications for eligible program providers to participate in the pilot program. To be considered a qualified program provider, the institution must offer all of the following:

- (a) Dropout reengagement services.
- (b) Academic intake assessments.
- (c) An integrated learning plan.
- (d) A course catalog that includes all graduation requirements.
- (e) Remediation coursework.
- (f) Academic resilience assessment and intervention.
- (g) Employability skills development.
- (h) Industry recognized credentials.
- (i) Credit for on-the-job training.
- (j) A robust support framework, including technology, social support, and academic support accredited by a recognized accrediting body.
- (k) WorkKeys preparation.

(4) The department shall announce qualified program providers not later than January 1 of the current fiscal year. Qualified program providers must start providing programming by February 1 of the current fiscal year.

(5) The department shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act of 1979, 1979 PA 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall be made to a qualified program provider for the completion of the following by a pupil:

- (a) \$500.00 for the completion of an employability skills certification program equal to at least 1 unit of high school credit obtained through classroom or online instruction.
- (b) \$250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.
- (c) \$500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.
- (d) \$750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.
- (e) \$1,000.00 for attainment of a high school diploma.
- (f) \$2,500.00 for placement in a job in an in-demand career pathway.
- (6) The department shall develop policies and guidelines to implement this section.

Sec. 711. The funds appropriated in part 1 for at-risk youth grants must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program for the administration of the Jobs for Michigan's Graduates program.

Sec. 712. (1) The funds appropriated in part 1 for the high school equivalency-to-school program must be used to fund the cost of high school equivalency testing and certification under this section. The department shall administer a Michigan high school equivalency-to-school program that covers the cost of providing the high school equivalency test free of charge to individuals who meet all of the following requirements:

(a) The individual has not previously been administered a high school equivalency test free of charge under this section.

(b) The individual meets at least 1 of the following requirements:

(i) Prior to taking the high school equivalency test, the individual successfully completed a department-approved high school equivalency preparation program.

(ii) Prior to taking the high school equivalency test, the individual completed the official high school equivalency practice test and the individual's score indicated that the individual is likely to pass.

(2) A department-approved high school equivalency preparation program must include all of the following:

(a) Instructional and tutorial assistances.

(b) High school equivalency test practice.

(c) Required attendance at program instructional sessions.

(d) A curriculum that prepares students for opportunities in postsecondary education and the job market.

(e) Information on potential postsecondary and career pathways.

(f) Counseling on preparing for and applying to college.

(g) Personal and job readiness skills development.

(h) Comprehensive information on college costs and financial aid.

(i) College and career assessments.

(j) Computer-based instruction, practice, or remediation.

(3) The department shall post online an announcement of the Michigan high school equivalency-to-school program, minimum standards for high school equivalency preparation program approval, and approval procedures.

(4) The department shall do all of the following:

(a) Develop procedures consistent with this section under which individuals can take the high school equivalency test without charge.

(b) Provide program information for educators and students on the department website, including explanations of the procedures developed under this subsection, and contact information for questions about the program.

(c) Provide an estimate of the full-year cost of the program to the standard report recipients.

(5) Not later than September 30, the department shall report on utilization of the high school equivalency incentive program to the standard report recipients, including numbers of high school equivalency certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or both.

Sec. 713. (1) The department shall provide reporting regarding the interagency agreement with the department of health and human services, which concerns TANF funding to provide job readiness and welfare-to-work programming. The reporting must include specific outcome and performance reporting requirements, as described in this section. TANF funding provided to the department in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The department shall provide all of the following items for the previous year not later than January 1 of the current fiscal year:

(a) An itemized spending report on TANF funding, including all of the following:

(i) Direct services to clients.

(ii) Administrative expenditures.

(b) The number of family independence program clients served through the TANF funding, including all of the following:

(i) The number and percentage who obtained employment through Michigan Works!.

(ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.

(iii) Average TANF spending per client.

(iv) The number and percentage of clients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

(2) Not later than March 15 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on health and human services and the standard report recipients an annual report on the following matters itemized by Michigan works agency:

(a) The number of referrals to Michigan works job readiness programs.

(b) The number of referrals to Michigan works job readiness programs who became a participant in the Michigan works job readiness programs.

(c) The number of participants who obtained employment.

(d) The cost per participant case.

(3) As used in this section, "TANF" means temporary assistance for needy families as described in 42 USC 601 to 619.

Sec. 714. (1) The office of rural prosperity shall encourage and enable appropriate community advancements and improvements, including, but not limited to, all of the following:

(a) Housing.

(b) Infrastructure.

(c) Education.

(d) Workforce development.

(e) Other activities that address needs uniquely present in rural areas of this state and assist in expansion of rural development.

(2) Not later than March 15, the office of rural prosperity shall submit a report to the standard report recipients that outlines the office's activities, programs, and accomplishments in the previous fiscal year.

Sec. 715. (1) From the funds appropriated in part 1 for community and worker economic transition office, the department may hire employees and deploy capabilities to evaluate and address the impacts of economic transitions on workers, communities, and employers in sectors that include, but are not limited to, the auto, utility, manufacturing, and building trades sectors. Activities of the office may include developing transition mitigation strategies, conducting data analysis, coordinating across state and federal agencies, engaging stakeholders, and providing resource navigation support. The department shall develop and submit to the governor and the legislature a community and worker economic transition plan not later than December 31, 2025, as required under sections 7(3)(f) and 9(2) of the community and worker economic transition act, 2023 PA 232, MCL 408.917 and 408.919. Beginning March 15, 2025, the department shall also submit an annual report on office activities and progress made on the transition plan to the standard report recipients and to the legislature, as required under section 7(5) of the community and worker economic transition act, 2023 PA 232, MCL 408.917.

(2) In the annual report submitted under subsection (1), the department shall include information on the mission statement, goals, metrics, and recommendations of the community and worker economic transition office.

Sec. 716. (1) From the funds appropriated in part 1 for volunteer income tax assistance grants, the department shall allocate funds to a nonprofit trade association to provide all of the following:

(a) Free tax preparation services for tax filers in this state.

(b) Expanded statewide access to free tax preparation services.

(c) Expanded local capacity to provide free tax preparation services.

(2) Administration costs to provide the services listed in subsection (1) must not exceed 5% of the appropriated amount.

UNEMPLOYMENT

Sec. 801. The unemployment insurance agency shall provide a report updated at least quarterly that includes, but is not limited to, fiscal year-to-date expenditures by division and program unit. The unemployment insurance agency shall transmit each quarterly report no later than 60 days after the end of each quarter.

Sec. 802. (1) From the funds appropriated in part 1, the department, on behalf of the unemployment insurance agency, shall provide a quarterly report to the standard report recipients not later than 45 days after the end of each quarter that includes, but is not limited to, the following:

(a) The average number of unique claimants for the quarter.

(b) The average number of eligible claimants with certification for the quarter.

(c) The average number of claims paid for the quarter.

(d) The total amount of standard unemployment insurance payments paid for the quarter.

(e) The total amount of unemployment insurance tax generated for the quarter.

(f) The balance of the Michigan unemployment trust fund at the end of the quarter.

(2) The department shall include the same information required in subsection (1) for the previous 12 months. The department shall include the most recent quarterly report on the department's webpage.

Sec. 803. From the funds appropriated in part 1, the department shall provide a quarterly report not later than 45 days after the end of each quarter that includes, but is not limited to, the following:

(a) The number of new fraudulent and noncompliant cases that have been identified or issued by the unemployment insurance agency, classified by employer or claimant, during the quarter.

(b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter.

- (c) The total amount of penalties and interest dollars received during the quarter by employer or claimant.
- (d) The total amount of collectible penalties and interest still owed to this state by employer or claimant.
- (e) The number of fraudulent and noncompliant cases that have been appealed by an employer or claimant during the quarter.

Sec. 804. (1) The funds appropriated in part 1 for unemployment insurance agency must be used to staff unemployment insurance agency branch offices for in-person appointments for unemployment insurance agency claimant services.

(2) The department shall provide a biannual report to the standard report recipients not later than March 15 and September 30 that includes all of the following:

- (a) The number and location of in-person offices.
- (b) The average number of staff at each location over the previous 6 months.
- (c) The volume of in-person claimants served at each location in the previous 6 months.

Sec. 805. Funds appropriated in part 1 for the unemployment insurance agency may be used by the unemployment insurance agency to increase capacity by an estimated 500 limited-term employees only if the unemployment insurance agency provides full-time, in-person services at existing unemployment insurance local offices.

Sec. 806. (1) From the funds appropriated in part 1 for unemployment insurance agency, the department shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

- (a) Unemployment benefit fund balance.
- (b) Process improvement - fiscal integrity.
- (c) Process improvement - determination timeliness.
- (d) Process improvement - determination quality.

Sec. 807. Funds earned or authorized by the USDOL in addition to the appropriation in part 1 for the unemployment insurance agency are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the standard report recipients of the purpose and amount of each grant award.

REHABILITATION SERVICES

Sec. 901. The Michigan rehabilitation services and bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify allowable match dollars to secure available federal vocational rehabilitation funds.

Sec. 902. From the funds appropriated in part 1, the department shall provide an annual report on efforts taken to improve the Michigan rehabilitation services not later than February 1 to the standard report recipients. The report must include all of the following items:

- (a) Reductions and changes in administration costs and staffing.
- (b) Service delivery plans and implementation steps achieved.
- (c) Reorganization plans and implementation steps achieved.
- (d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate of each district in achieving the program goals.

Sec. 903. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate funding along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) Not later than March 1, the department shall report to the standard report recipients on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 904. If the department is at risk of entering into an order of selection for services, the department shall notify the standard report recipients within 2 weeks of receiving notification.

Sec. 905. (1) Funds appropriated in part 1 for independent living must be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations, including 45 CFR Part 1329, for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds must be reviewed

in accordance with criteria and procedures established by the department. Funds must be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including, but not limited to, support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide services that specifically focus on economic self-sufficiency.

(2) Not later than March 1 and in partnership with service providers, the department shall provide a report to the standard report recipients on direct customer and system outcomes and performance measures.

(3) Unexpended general fund/general purpose funds appropriated in part 1 for centers for independent living are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support the state plan for independent living.

(b) The project will be accomplished by utilizing the same formula that is used for the initial distribution of funding.

(c) The total estimated cost of the project is \$12,257,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 906. From the funds appropriated in part 1 for personal assistance services reimbursement for employment program, the department shall allocate funding to support the administration of the personal assistance services reimbursement for employment program. Michigan rehabilitation services may work collaboratively with service organizations to administer the program. An annual report must be submitted to the standard report recipients not later than March 15 providing information on how many recipients receive services, obtain goals, and exit the program.

Sec. 907. (1) The appropriation in part 1 for bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year must carry forward to the subsequent fiscal year.

Sec. 908. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

Sec. 909. (1) The funds appropriated in part 1 for a regional or subregional library must not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) To receive subregional state aid appropriated in part 1, a regional or subregional library's fiscal agency must agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that includes the regional or subregional library's fiscal agency, the reduction must not be interpreted as a reduction in local support and must not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that includes a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library must not be interpreted as a reduction in local support and must not disqualify a regional or subregional library from receiving state aid under part 1.

COMMISSIONS

Sec. 951. (1) From the funds appropriated in part 1, the office of global Michigan is to coordinate with any affiliated commissions established in statute or by executive order to produce a report by January 31. The report must be submitted to the standard report recipients and must include, but is not limited to, the following:

(a) Total number of people with whom each commission directly interacts through programming.

(b) Total number of public events that each commission conducted.

(c) Description of the activities that the commissions initiated to promote cooperation between the commissions.

(d) A list of any commissions that interact with the office of global Michigan.

(e) Programmatic costs of each commission.

(2) An expenditure of funds appropriated in part 1 by the Asian Pacific American affairs commission, the commission on Middle Eastern American affairs, the Hispanic/Latino commission of Michigan, or any other commission within the department for a commission event must be directly related to the mission statement of that commission.

Sec. 953. The office of global Michigan must submit a report to the standard report recipients not later than January 31. The report must include all of the following information:

- (a) The number of individuals served through each major program and activity.
- (b) The number of refugee arrivals, the job placement rate of those refugees actively receiving services under global Michigan grants, and the average wages and initial job placements for those refugees.
- (c) A list and description of the activities that the office has conducted to attract and retain international, advanced degree, and entrepreneurial talent.
- (d) A list of goals for the office and the metrics used to determine whether each goal is achieved.

ONE-TIME APPROPRIATIONS

Sec. 1001. Funds appropriated in part 1 for agricultural tourism hub redevelopment must be allocated for the redevelopment of a former correctional facility into an agricultural tourism hub located in a county with a population of between 94,000 and 96,000 according to the most recent federal decennial census.

Sec. 1002. Funds appropriated in part 1 for auto show public safety must be allocated to a 501(c)(6) nonprofit entity that operates an auto show in a county with a population greater than 1,500,000 according to the most recent federal decennial census. The allocation must be used for payments to cities, counties, municipalities, or regional authorities for security, police, fire, traffic, or parking services or for facility rentals associated with the auto show operated by the 501(c)(6) nonprofit entity.

Sec. 1003. Funds appropriated in part 1 for Brownstown municipal infrastructure must be allocated to a charter township with a population between 33,000 and 34,000 in a county with a population over 1,500,000 according to the most recent federal decennial census, to support the renovation costs of a township hall.

Sec. 1004. Funds appropriated in part 1 for center for social enterprise development must be allocated to a statewide foundation supporting small businesses in this state to partner with an association of comprehensive human service providers that support individuals with disabilities, for the purpose of creating a center for social enterprise development. The center for social enterprise development must administer direct grants to small businesses and nonprofit organizations that seek to establish or expand a social enterprise with an emphasis on employing individuals who are marginalized or economically disadvantaged.

Sec. 1005. Funds appropriated in part 1 for Chinatown development must be allocated for the development of a culturally and historically significant midtown located in a city with a population greater than 600,000 according to the most recent federal decennial census. Allocation decisions regarding the funds must include input from an association that represents the midtown community. The funds must be used to achieve the following:

- (a) Revitalization of the streetscape to be more pedestrian-friendly.
- (b) Incorporation of cultural art and aesthetics.
- (c) Installation of cultural greenspaces.
- (d) Development of culturally significant buildings.

Sec. 1006. Funds appropriated in part 1 for community development must be awarded to a nonprofit organization that supports underserved populations and is headquartered in a township with a population between 33,000 and 34,000 in a county with a population over 1,500,000 according to the most recent federal decennial census, for program enhancements.

Sec. 1007. (1) The funds appropriated in part 1 for community development financial institutions fund grants are transferred to the Michigan community development financial institutions fund, which is created under this section. All funds in the Michigan community development financial institutions fund, including funds unallocated from prior years, are appropriated for grants to eligible community development financial institutions under this section and related expenditures permitted under this section. The legislature finds and declares that the appropriation described in this section is for a public purpose, including promoting community economic revitalization and community development through community development financial institutions.

(2) Not later than October 31, 2024, the Michigan strategic fund shall develop a grant application consistent with this section that is published and available on its publicly accessible website.

(3) The application required under subsection (2) must include all of the following:

- (a) The name of the community development financial institution applying for a grant from the CDFI fund.
- (b) The location of the principal office of the applicant.
- (c) Documentation indicating whether the applicant is a Michigan CDFI or a multistate CDFI.
- (d) An indication of whether the applicant is or is not a depository institution.
- (e) The amount of the grant sought, not exceeding the maximum eligible amount of the grant under subsections (4) to (6).

(f) If the community development financial institution is a depository institution, the net assets of the depository institution.

(g) If the community development financial institution is not a depository institution, the amount of qualifying commitments made by the community development financial institution during the 3 applicant fiscal years preceding the fiscal year in which the application is submitted.

(h) A description of the amount an applicant is eligible to apply for under subsections (4) to (6).

(i) A description of the proposed use of the grant award by the applicant for eligible activities consistent with the requirements of this chapter, the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719, and any other requirements applicable under federal law.

(j) Documentation of the applicant's certification as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4703. The documentation required by this subdivision may include the list of community development financial institutions in good standing maintained and published by the federal fund.

(k) A statement that the applicant is in compliance with all requirements applicable to the applicant under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(4) A community development financial institution that is a depository institution is eligible for a grant award in the following amount:

(a) Up to \$253,000.00 if the depository institution has total net assets of less than \$500,000,000.00.

(b) Up to \$380,000.00 if the depository institution has total net assets of \$500,000,000.00 to \$999,999,999.99.

(c) Up to \$507,000.00 if the depository institution has total net assets of \$1,000,000,000.00 to \$1,999,999,999.99.

(d) Up to \$633,000.00 if the depository institution has total net assets of \$2,000,000,000.00 or more.

(5) Except as otherwise provided in subsection (6), a community development financial institution that is not a depository institution is eligible for a grant award in the following amount:

(a) Up to \$127,000.00 if the community development financial institution made qualifying commitments in an amount that averaged less than \$1,000,000.00 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(b) Up to \$380,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$1,000,000.00 to \$3,999,999.99 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(c) Up to \$633,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$4,000,000.00 to \$5,999,999.99 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(d) Up to \$887,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$6,000,000.00 to \$9,999,999.00 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(e) Up to \$1,013,333.00 if the community development financial institution made qualifying commitments in an amount that averaged at least \$10,000,000.00 per applicant fiscal year during the 3 fiscal years preceding the fiscal year in which an application for a grant is submitted.

(6) A grant to a multistate CDFI that is not a depository institution under subsection (5) must not exceed \$633,000.00.

(7) The Michigan strategic fund shall accept applications for a grant under this section until November 30, 2024. The Michigan strategic fund shall approve or deny a grant application within 49 days after the receipt of an administratively complete application as determined by the Michigan strategic fund. If the application complies with the requirements of this section, the Michigan strategic fund shall approve the award of the grant in the amount requested by the applicant. The Michigan strategic fund may deny a grant application submitted under this section only for the following reasons:

(a) The applicant does not satisfy all of the requirements under this section.

(b) Subject to subsection (9), there is insufficient money in the CDFI fund to pay the grant amount requested.

(c) The applicant is not in compliance with applicable requirements under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(8) If the Michigan strategic fund denies an application under subsection (7), the applicant may provide additional information to the Michigan strategic fund within 7 days after the notice of denial. The Michigan strategic fund shall review and reconsider the application and additional information within 28 days after the applicant provides additional information.

(9) If there is an insufficient amount of money in the CDFI fund to pay the grants approved, the amount of each grant shall be reduced proportionately by the Michigan strategic fund based upon the amount of money available in the CDFI fund. If the amount of money available to pay grants approved for a round of grant applications exceeds the amount needed to pay the grant awards, the Michigan strategic fund may increase each grant awarded in that round in an amount proportionate to the total of all grant awards for that round.

(10) Upon approval of an application, the Michigan strategic fund and the applicant shall sign a written grant agreement providing the terms of the grant agreement. A grant agreement must include all of the following:

(a) A requirement that at least 80% of the grant award be used for financial products and financial services or expenditures of money or commitments to expend money to reduce the interest rate otherwise applicable under a loan agreement or funding agreement.

(b) A restriction that no more than 10% of the grant award be used for technical assistance activities described in 12 CFR 1805.303.

(c) A restriction that no more than 10% of the grant award be used for administration and operations.

(d) A requirement that a grant award be committed under a loan agreement or funding agreement or disbursed by the recipient within 3 years after the date that the recipient receives the grant award.

(e) A requirement that the entire amount of the grant award be expended within this state.

(f) A requirement that the grant award recipient maintain its certification as a community development financial institution under 12 CFR 1805.201 while the grant agreement is in effect.

(g) A requirement that the grant award recipient comply with all requirements applicable under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719, while the agreement is in effect.

(h) Provisions authorizing the Michigan strategic fund to enforce the terms of the grant agreement, including a requirement that a noncompliant recipient of a grant award may be required to repay the portion of the award not committed by the recipient pursuant to a permitted loan, program, or agreement. Money repaid under this subdivision must be deposited in the CDFI fund.

(i) A requirement for the grant award recipient to report on activities consistent with the requirements of subsection (14).

(j) If the grant agreement includes a grant of federal money, the grant agreement must require the recipient to comply with any requirements applicable to the use of the federal money.

(11) A grant agreement may provide for the community development financial institution that is the recipient of a grant award to serve as an intermediary lender to another community development financial institution consistent with the purposes of this section if not prohibited by federal law applicable to the expenditure of any federal grant money.

(12) If not prohibited by federal law applicable to the expenditure of any federal grant money, a grant agreement must permit a grant award recipient to assign the award to an affiliate and for the affiliate to assume the obligations of the grant award recipient if the affiliate satisfies all of the following:

(a) Is a community development financial institution.

(b) Is organized in the same manner as the grant award recipient.

(c) Is controlled by the grant award recipient in 1 or both of the following ways:

(i) The grant award recipient owns a majority of the stock of the affiliate.

(ii) A majority of the members of the board of the affiliate also are members of the board of the grant award recipient.

(13) Except as otherwise provided in subsection (14), the Michigan strategic fund shall require the recipient of a grant award under this chapter to report annually to the Michigan strategic fund regarding its activities under this section beginning on the May 1 following the applicant fiscal year in which the grant award was received by the recipient. The Michigan strategic fund shall publish on its website a standard form for the report. Except as otherwise provided in subsection (14), the report must include all of the following information:

(a) A copy of the recipient's most recent confirmation of recertification as a community development financial institution issued by the community development financial institutions fund under 12 CFR 1805.201, which may include the list of community development financial institutions in good standing maintained and published by the federal fund.

(b) A list of financial products and services provided during the prior applicant fiscal year that includes all of the following:

(i) The name of each transaction.

(ii) A transition tracking number for each transaction.

(iii) The date of each transaction.

- (iv) The amount of each transaction.
- (v) The total project cost for each transaction if other funding was involved.
- (vi) The physical address of the borrower or customer for each transaction.
- (vii) The census tract of the borrower or customer for each transaction.
- (viii) An indication of whether the census tract in which the transaction is located is an eligible investment area.
- (ix) A description of the projected economic impact of the transaction.
- (x) A description of any financial products or financial services provided.
- (c) A description of technical assistance provided during the prior applicant fiscal year.
- (d) A summary of expenditures for administration and operations provided during the prior applicant fiscal year that includes all of the following:
 - (i) A description of administration and operations costs incurred.
 - (ii) Professional fees and expenses incurred.
 - (iii) A summary of any other eligible expenses for administration and operation.
- (14) A grant award recipient is not required to provide a report under this section for any applicant fiscal year in which it did not loan or otherwise commit or disburse grant award money. The Michigan strategic fund shall not include information in the report required under subsection (13) if information that otherwise would be included in a report under subsection (13) is either of the following:
 - (a) Exempt from disclosure or confidential as proprietary business or financial information under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.
 - (b) Exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
- (15) The Michigan strategic fund shall make all reasonable efforts to ensure that at least 10% of the funds appropriated under this section support businesses operated by underrepresented entrepreneurs or are allocated to community development financial institutions that primarily support underrepresented entrepreneurs.
- (16) Except as otherwise provided in subsection (3), the Michigan strategic fund may expend up to 4% of the appropriation provided from the CDFI fund for the costs it incurs in administering the programs and activities in this section.
- (17) Unexpended funds appropriated for community development financial institutions fund grants are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for grant awards or other expenditures until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:
 - (a) The purpose of the project is to provide grants to eligible community development financial institutions under this section.
 - (b) All grants will be distributed in accordance with this section and the grant guidelines as part of the application process and grant agreements between the Michigan strategic fund and grant recipients.
 - (c) The total estimated cost of the project is \$5,000,000.00.
 - (d) The tentative completion date for the work project is September 30, 2029.
- (18) As used in this section:
 - (a) "CDFI fund" means the Michigan community development financial institutions fund created in subsection (1).
 - (b) "Community development financial institution" means that term as defined in section 103 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4702, but is limited to a community development financial institution that satisfies all of the following:
 - (i) Is an entity that meets the eligibility requirements described in 12 CFR 1805.200.
 - (ii) Is certified as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4703.
 - (iii) Maintains 1 or more physical offices within this state.
 - (iv) Employs 2 or more individuals at a physical office within this state, including employees of an affiliate of the community development financial institution that provides services to the community development financial institution.
 - (v) Is a Michigan CDFI or a multistate CDFI.
 - (c) "Depository institution" means any of the following:
 - (i) A bank as that term is defined in section 3(a) of the federal deposit insurance act, 12 USC 1813(a).
 - (ii) A savings association as that term is defined in section 3(b) of the federal deposit insurance act, 12 USC 1813(b).

(iii) A credit union as that term is defined in section 102 of the credit union act, 2003 PA 215, MCL 490.102.

(iv) A depository institution holding company as that term is defined in 12 CFR 1805.104.

(d) “Eligible activities” means activities described in 12 CFR 1805.301, and includes credit enhancements, loan loss reserves, equity investments, expenditures of money or commitments to expend money to reduce the interest rate otherwise applicable under a loan agreement or funding agreement, and grants related to these activities.

(e) “Federal fund” means the federal community development financial institutions fund within the United States Department of Treasury.

(f) “Financial products” means that term as defined in 12 CFR 1805.104.

(g) “Financial services” means that term as defined in 12 CFR 1805.104.

(h) “Michigan CDFI” means a community development financial institution that satisfies all of the following:

(i) Is certified as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4703.

(ii) Is headquartered at an address in this state, as recognized by the federal fund.

(iii) Has a target market that includes this state, as recognized by the federal fund.

(iv) Serves 1 or more targeted populations located within this state.

(i) “Multistate CDFI” means a community development financial institution that is not a Michigan CDFI but is a community development financial institution that committed under a loan agreement or other funding agreement at least \$10,000,000.00 in financial products and financial services to a target market within this state under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719, during the 5 applicant fiscal years preceding the applicant fiscal year in which an application for a grant is submitted.

(j) “Qualifying commitment” means funding committed by a community development financial institution under a loan agreement or other funding agreement in target markets or targeted populations in this state that is either of the following:

(i) Financial products or financial services committed under the Riegle community development and regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

(ii) An additional credit enhancement, loan loss reserve, or equity investment committed by the community development financial institution or an affiliate of the community development financial institution.

(k) “Target market” means that term as defined in 12 CFR 1805.104.

(l) “Targeted population” means that term as defined in 12 CFR 1805.104.

Sec. 1008. (1) From the funds appropriated in part 1 for community museum grants, the department shall allocate \$5,000,000.00 to a museum with a topical focus on the history and cultural impact of Motown music located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(2) From the funds appropriated in part 1 for community museum grants, the department shall allocate \$2,000,000.00 to a multisite museum center that contains a museum of history and science, a historic site, a Depression Era house, a museum of business and industry, and an archival collection located in a city with a population between 37,000 and 39,000 in a county with a population between 170,000 and 180,000 according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for community museum grants, the department shall allocate \$1,000,000.00 to a museum with a topical focus on Chaldean culture located in a township with a population between 68,000 and 72,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

(4) From the funds appropriated in part 1 for community museum grants, the department shall allocate \$1,000,000.00 for facility improvements at an aerospace and science museum that owns operational historical aircraft located in a township with a population between 29,000 and 31,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census.

(5) From the funds appropriated in part 1 for community museum grants, the department shall allocate \$9,000,000.00 for grants to museums or nonprofit foundations that operate educational programs at museums within this state that support artistic, scientific, technological, or cultural exhibitions or educational programs. The department shall develop a grant application process and grants must be awarded on a competitive basis, with priority given to applications that could leverage a grant awarded under this section to secure additional federal funding or a multiplier. A grant to a specific museum under this subsection must not exceed \$1,000,000.00.

Sec. 1009. Funds appropriated in part 1 for workforce development grants must be awarded to a state federation for labor 501(c)(3) organization workforce development institute to support operations related to workforce development in this state.

Sec. 1010. Funds appropriated in part 1 for developing kids must be allocated to a nonprofit organization that provides afterschool and summer programs in a city with a population greater than 600,000 according to the most recent federal decennial census, to renovate a permanent headquarters in order to accommodate over 1,000 children served through afterschool and summer programs annually.

Sec. 1011. Funds appropriated in part 1 for downtown development must be awarded to a downtown development authority located in a township with a population between 49,000 and 50,000 in a county with a population over 1,500,000 according to the most recent federal decennial census, for infrastructure improvements.

Sec. 1012. From the funds appropriated in part 1 for Focus: HOPE, \$1,000,000.00 shall be awarded to Focus: HOPE for education and workforce development programming, early childhood education, youth development, food assistance, or community empowerment and advocacy.

Sec. 1013. Funds appropriated in part 1 for forest products workforce training and development program must be allocated to a nonprofit forest industry council based in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census. The funds must be used to provide quality training to advance individual skill sets, grow operational knowledge, and advance careers in the forest products industry.

Sec. 1014. Funds appropriated in part 1 for foster care aging-out services must be awarded to a nonprofit organization located in a city with a population greater than 600,000 according to the most recent federal decennial census, to support wraparound services for individuals aging out of the foster care system.

Sec. 1015. Funds appropriated in part 1 for health and healing center must be awarded to a health and healing center located in neighborhood community center that provides medical and mental health services and is located in a city with a population greater than 600,000 according to the most recent federal decennial census, to support medical, mental health, childcare, and community services to the community.

Sec. 1016. Funds appropriated in part 1 for high-impact tutoring pilot program must be allocated to a program that provides high-impact, high-dosage, data-driven tutoring programs focused on improving educational outcomes of students in need.

Sec. 1017. Funds appropriated in part 1 for Hispanic community center must be awarded to a minority council located in a city with a population between 73,000 and 74,000 according to the most recent federal decennial census, to support a permanent facility for the organization to serve the organization and to support other organizations in the community.

Sec. 1018. Funds appropriated in part 1 for holistic workforce development must be awarded to an entity operating in a city with a population greater than 600,000 according to the most recent federal decennial census, that provides full-time employment and services to individuals recovering from homelessness and that produces sleeping bag coats for global distribution.

Sec. 1019. (1) From the funds appropriated in part 1 for housing programs, the department shall allocate \$15,000,000.00 to a county with a population between 283,000 and 285,000 according to the most recent federal decennial census, that operates a housing trust fund to encourage construction, improvement, and maintenance of affordable housing and increased home ownership. Funds allocated must be utilized by the grant recipient for the following initiatives:

(a) Direct financing support programs, including homeowner down payment assistance or other direct financing supports for eligible residents that may be used to execute a mortgage-rate buydown or decrease the amount the eligible resident owes, or both. Down payment assistance or direct financing supports must be for primary residences only. The county shall establish guidelines for repayment of the down payment assistance or other direct financing supports if the primary residence is sold or primarily used as a rental. The county shall establish guidelines for determining when a primary residence is being used primarily as a rental, which would trigger the repayment provision under this subdivision. To the extent possible, the county shall prioritize any down payment assistance funds for first-generation home buyers.

(b) Foreclosure prevention programs that mitigate tax or mortgage foreclosures and provide financial supports to eligible residents who are at risk of foreclosure and forfeiture. The county shall coordinate the implementation of foreclosure prevention programs with nonprofit organizations, including, but not limited to, community action agencies.

(c) Community improvement programs that may include blight elimination, stabilization, rehabilitation, or redevelopment of structures. The county shall coordinate community improvement activities with the county land bank.

(d) Affordable or workforce housing projects located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census, within the boundaries of the grant recipient. Funds used under this subdivision must not exceed \$5,000,000.00.

(2) From the funds appropriated in part 1 for housing programs, the department shall allocate \$5,000,000.00 to an intermediate school district with a main office located in a county with a population

between 95,000 and 96,000 according to the most recent federal decennial census, for the establishment and allocation of funds to a program or policy to fund the construction of 1 or more housing developments to be built in a county with a population of between 95,000 and 96,000 according to the most recent federal decennial census, with units set aside for pre-K to 12 educators and pre-K to 12 education support staff.

(3) From the funds appropriated in part 1 for housing programs, the department shall allocate \$5,000,000.00 to a city with a population between 48,800 and 48,900 located in a county with a population between 260,000 and 265,000 according to the most recent federal decennial census, to support the development of mixed-income housing.

(4) From the funds appropriated in part 1 for housing programs, the department shall allocate \$4,000,000.00 to a village with a population between 5,300 and 5,400 located in a county with a population between 154,800 and 154,900 according to the most recent federal decennial census, to support an affordable housing development project.

(5) From the funds appropriated in part 1 for housing programs, the department shall allocate \$3,300,000.00 to a nonprofit organization with a mission to invest in people and places to transform lives through equitable financial and development solutions with a home office located in a city with a population between 107,000 and 108,000 in a county with a population between 284,000 and 285,000 according to the most recent federal decennial census, to support development in this state that provides stable, long-term housing for recovering patients and their families. The housing program shall also provide peer-support programming and other recovery-focused initiatives that have demonstrated success.

(6) From the funds appropriated in part 1 for housing programs, the department shall allocate \$3,000,000.00 to an economic development organization representing 3 counties located in a city with a population between 107,000 and 108,000 in a county with a population between 280,000 and 285,000 according to the most recent federal decennial census, to support a mixed-use housing project in a city with a population between 107,000 and 108,000 in a county with a population between 280,000 and 285,000 according to the most recent federal decennial census. The grant recipient shall accept grant administration, oversight, and reporting requirement responsibilities related to activities undertaken with grant funds received under this section. The grant recipient is authorized to capture 2.5% of grant funds received under this subsection for administration of the grant.

(7) From the funds appropriated in part 1 for housing programs, the department shall allocate \$3,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that has a headquarters in a city with a population between 134,000 and 135,000 in a county with a population between 880,000 and 890,000 according to the most recent federal decennial census, for capital costs resulting from construction of an affordable housing apartment complex. To be eligible for funds under this subsection, the nonprofit organization must have been established in 2006 and be dedicated to improving the stability, health, and wellness of those served through advocacy, acculturation, community development, and cultural preservation.

(8) From the funds appropriated in part 1 for housing programs, the department shall allocate \$3,000,000.00 to a development firm founded in 1988 and located in a city with a population between 36,000 and 39,000 in a county with a population between 175,000 and 176,000 according to the most recent federal decennial census, for the rehabilitation of a historic manufacturing site to support housing.

(9) From the funds appropriated in part 1 for housing programs, the department shall allocate \$3,000,000.00 to a nonprofit corporation that is the largest membership organization in the state dedicated to recognizing and preserving this state's rich cultural and architectural heritage for a new multi-use housing project on a parcel of land that is more than 0.72 acres and less than 0.77 acres located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(10) From the funds appropriated in part 1 for housing programs, the department shall allocate \$2,000,000.00 to a charter township with a population between 15,000 and 15,100 located in a county with a population between 79,000 and 80,000 according to the most recent federal decennial census, for upgrades, renovations, acquisitions, installations, and activations of new units for a manufactured housing complex.

(11) From the funds appropriated in part 1 for housing programs, the department shall allocate \$2,000,000.00 to a charter township with a population between 33,100 and 33,200 located in a county with a population between 109,000 and 110,000 according to the most recent federal decennial census, to support an affordable workforce housing development project.

(12) From the funds appropriated in part 1 for housing programs, the department shall allocate \$1,500,000.00 to a nonprofit organization for an affordable housing project in a neighborhood within a city with a population between 198,000 and 199,000 according to the most recent federal decennial census.

(13) From the funds appropriated in part 1 for housing programs, the department shall allocate \$360,000.00 to a community nonprofit organization located in a city with a population between 198,000 and 199,000 according to the most recent federal decennial census, for permanent or shared housing for individuals experiencing homelessness.

(14) From the funds appropriated in part 1 for housing programs, the department shall utilize up to \$2,500,000.00 for a competitive grant program to eligible nonprofit, faith-based organizations for affordable housing that includes, but is not limited to, senior housing.

(15) From the funds appropriated in part 1 for housing programs, the department shall utilize up to \$5,000,000.00 to implement housing industry and supply chain competitive grants. Funds must be utilized to advance access to affordable housing through grants to increase the production of housing components, including, but not limited to, modular housing components, or to support production methods to lower the cost of housing. Housing industry and supply chain competitive grant applicants shall demonstrate that any funds received under this subsection would increase access to affordable housing or improve the housing supply chain in this state.

(16) The department shall utilize the remaining unallocated funds from the appropriation in part 1 for housing programs for statewide competitive grant programs for any activities identified in subsection (1)(a), (b), or (c). Eligible applicants include local governments, land banks, public housing agencies, community action agencies, legal aid organizations that provide housing services, and other nonprofits that provide supportive or emergency housing.

(17) The department may utilize up to \$1,000,000.00 of the funds appropriated in part 1 for housing programs for activities necessary to implement this section.

(18) As applicable, the department shall establish grant program guidelines, criteria, and recipient reporting requirements necessary to administer competitive grant programs.

(19) The department shall require grant recipients to submit annual progress reports on the status and utilization of funds allocated. Not later than September 30, the department shall provide a report to the standard report recipients on the status of funds allocated under this section.

(20) Unexpended funds appropriated in part 1 for housing programs are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to assist with equitable housing affordability, accessibility, and community redevelopment.

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

(c) The total estimated cost of the project is \$66,600,000.00.

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

Sec. 1020. (1) The department shall expend the funds appropriated in part 1 for housing readiness incentive grant program to provide grants to cities, villages, townships, and counties to offset costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

(2) A local unit of government that submits an eligible plan to the department may receive a grant of not more than \$50,000.00.

(3) The department may work in collaboration with the MEDC to review grant applications. Applications must be reviewed and approved, and grants awarded to qualifying applicants, in the order in which the applications are received.

(4) A local unit of government shall provide a report to the department that summarizes all changes implemented to complete the process for which the local unit received a grant award under this section.

Sec. 1021. The department shall expend the funds appropriated in part 1 for housing stock and homeowner affordability to increase this state's housing stock and affordability for prospective homeowners through the construction of new single-family and multi-family housing units, renovation of existing single-family and multi-family housing units, and completion of energy efficiency improvements. The department may also utilize funds appropriated in part 1 for housing stock and homeowner affordability to leverage additional federal resources that align with the objectives under this section by capitalizing on available federal funding opportunities.

Sec. 1022. Funds appropriated in part 1 for Jewish family services must be awarded to a refugee resettlement agency located in a county with a population between 372,000 and 373,000 according to the most recent federal decennial census, to support refugee housing and resettlement through family services.

Sec. 1023. Funds appropriated in part 1 for junior achievement must be allocated by the department to a nonprofit organization that provides young people with practical economic education programs and experiences in the competitive private enterprise system through business and education communities located in a city with a population over 600,000 and in a city with a population between 198,000 and 200,000 according to the most recent federal decennial census. Funding must be used for program resources and staffing and each location that receives a grant under this section must receive \$500,000.00.

Sec. 1024. Funds appropriated in part 1 for life leaders must be allocated to a workforce development program at a 501(c)(3) nonprofit serving the metro Detroit area that works to empower youth between the ages of 14 and 24 with the confidence, skills, knowledge, and onramps to opportunities to achieve their goals and build their futures.

Sec. 1025. Funds appropriated in part 1 for math and reading academies must be allocated for implementation of my math academy or my reading academy for grades pre-K through 5 in the 2024-2025 school year. These academy programs may include professional learning for educators or a guardian care center for parental involvement.

Sec. 1026. Funds appropriated in part 1 for Michigan innovation fund must be expended for activities as described in House Bill Nos. 5651, 5652, and 5653 and a Senate bill, introduced from legislative service bureau request no. 06366'24, of the 102nd legislature, if those bills are enacted into law.

Sec. 1027. Funds appropriated in part 1 for Michigan women forward must be allocated to an organization that supports entrepreneurship and mentorship programs focused on women that is located within a city with a population greater than 600,000 according to the most recent federal decennial census. The funds must be used to support programming and expansion of the organization.

Sec. 1028. Funds appropriated in part 1 for Michigan Works! skills scholarships must be allocated to Michigan Works! to support youth career exploration initiatives with a focus on health care.

Sec. 1029. Funds appropriated in part 1 for Michigan's high-tech talent initiative must be awarded to an entity located in a city with a population greater than 600,000 according to the most recent federal decennial census, whose mission is to promote, retain, and grow this state's automotive industry. Funds awarded under this section must not be used for any digital or social media platforms.

Sec. 1030. (1) From the funds appropriated in part 1 for minority-owned business support, the department shall award grants to minority-owned businesses or nonprofit business organizations to implement small business development initiatives for minority-owned businesses in this state.

(2) Funds awarded to nonprofit business organizations may be used for activities that support or develop small businesses, including, but not limited to, technical assistance, grants, incubation, access to capital, or other financing opportunities.

(3) Subject to any existing regulations, the department may award direct grants to eligible small businesses in this state. The department shall ensure any direct business grants have clear metrics to grow small business or to create jobs.

(4) The department shall seek opportunities to award funds in a geographically diverse manner for any eligible activities under this section.

(5) Consistent with the requirements of this section, funds appropriated in part 1 for minority-owned business support must be allocated subject to the following:

(a) Not less than \$2,000,000.00 must be awarded to support at least 1 woman-owned minority small business that supports electric vehicles and is based in a city with a population of at least 600,000 according to the most recent federal decennial census. For purposes of this section, electric vehicles include the development of Michigan-based small businesses that manufacture, deploy, or design the charging infrastructure or equipment that will support electric vehicles.

(b) \$500,000.00 must be awarded to a nonprofit economic development organization located in a city with a population between 111,000 and 113,000 according to the most recent federal decennial census, for a business accelerator program and the activities under subsection (2).

(c) \$500,000.00 must be awarded to a nonprofit business alliance located in a city with a population over 600,000 according to the most recent federal decennial census, that operates entrepreneur capital connection and technical assistance programs.

(d) Not less than \$1,000,000.00 must be awarded to nonprofit organizations that organize business incubator or entrepreneurship programs dedicated to technology industries, with a mission to dismantle barriers for marginalized communities. Any organization that receives funds under this subdivision shall utilize the funds to expand programs in a city with a population greater than 600,000 according to the most recent federal decennial census, or to establish a program in a city with a population between 111,000 and 113,000 according to the most recent federal decennial census. Program focuses must include, at a minimum, capital access, strategic planning, networking and collaboration opportunities, and mentorship.

(6) The department shall submit a report to the standard report recipients, and post the report on the department's website, not later than September 30 of each year, until the funds have been expended. At a minimum, the report must provide all of the following information:

(a) The number of awards granted.

(b) The amount of each award.

(c) The recipient and purpose of each award.

(d) Any recommendations to improve the future distribution of funds to eligible entities under this section.

(7) The department may retain not more than 2% to administer this section or to promote the availability of funds.

(8) Unexpended funds appropriated in part 1 for minority-owned business support are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to implement minority-owned business support.

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

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

(d) The tentative completion date is September 30, 2029.

Sec. 1031. Funds appropriated in part 1 for nutritional support program grant must be awarded to a nonprofit organization that provides nutritionally balanced home delivery meal services to seniors in a county with a population between 115,000 and 120,000 and in a county with a population between 500,000 and 700,000 according to the most recent federal decennial census. The grant award must be used for costs of capital improvements, renovations, infrastructure expansion, or related expenses.

Sec. 1032. From the funds appropriated in part 1 for office of rural prosperity grants, the department shall operate a grant program to support community activities, including, but not limited to, enhancing or elevating broadband, housing, infrastructure, education, and workforce development, and addressing other needs uniquely experienced in rural areas of this state.

Sec. 1033. Funds appropriated in part 1 for police athletic league must be awarded for renovations and additions at a 501(c)(3) nonprofit organization that partners with a police department and community volunteers to assist youth through athletic, academic, and leadership development programs located in a city with a population greater than 600,000 according to the most recent federal decennial census.

Sec. 1034. Funds appropriated in part 1 for post-incarceration employment must be awarded to a nonprofit organization that operates a program that satisfies all of the following conditions:

(a) The program provides services to parolees and probationers assessed by the department of corrections as moderate- or high-risk to recidivate.

(b) The program provides job readiness training, transitional employment, job coaching and placement, and postplacement retention services. As part of the transitional employment program phase, the nonprofit program must provide low-skill, crew-based services to other state agencies.

(c) The program has been independently and rigorously evaluated and shown to reduce recidivism.

(d) The program demonstrates an ability to serve multiple jurisdictions across this state.

Sec. 1035. Funds appropriated in part 1 for PsyGenics must be awarded to a community mental health provider with 3 locations located in a county with a population over 1,500,000 according to the most recent federal decennial census, to support mental health services that include case management, psychological and psychiatric care, mental health counseling, peer mentoring, and nursing services.

Sec. 1036. Funds appropriated in part 1 for reignite must be allocated to a nonprofit organization that helps women consider careers in and connect with technology industries, to support programs aimed at connecting women in K-12 through post-university with careers in technology.

Sec. 1037. Funds appropriated in part 1 for right to counsel must be allocated to a city with a population greater than 600,000 according to the most recent federal decennial census, to implement a right to counsel program for city tenants involved in eviction proceedings.

Sec. 1038. (1) Funds appropriated in part 1 for school psychologists programming must be allocated to expand access to school psychology education or preparation programs maintained by institutions of higher education located in this state that offer designations, focus, or special certifications in the provision of school psychology services in accordance with R 380.204 of the Michigan Administrative Code.

(2) An institution of higher education described in this section may apply to the department on a competitive basis for a portion of the available funds, which must be used for 1 or both of the following:

(a) To hire faculty members to initiate enrollment in a new program described in this section.

(b) To hire faculty members to expand enrollment and to develop distance education in existing programs described in this section.

(3) An institution of higher education described in this section must develop a plan for internally funding the school psychologist program after the grant period ends.

(4) The grants under this section may have an active grant period of 1, 2, or 3 years.

(5) The grant amount per year for grants used to initiate enrollment in a new program described in this section must not exceed \$350,000.00 per year for 1, 2, or 3 years, depending on the grant applications submitted to and approved by the department.

(6) The grant amount per year for grants used to expand enrollment and to develop distance education in existing programs described in this section must not exceed \$150,000.00 per year for 1, 2, or 3 years, depending on the grant applications submitted to and approved by the department.

(7) The department shall identify the grant recipients that possess the most effective potential from the pool of applicants. The department may consult with a Michigan-based professional association focused on identifying solutions to the statewide shortage of and the professional training of school psychologists, developing best practices in the school psychology profession, and providing leadership for school psychologists in order to identify grant recipients.

Sec. 1039. Funds appropriated in part 1 for SER metro must be awarded to a youth engagement and adult re-engagement nonprofit center in a city with a population greater than 600,000 according to the most recent federal decennial census.

Sec. 1040. (1) The funds appropriated in part 1 for short-term loan grants must be used by the department to operate a grant program for short-term lenders that meet the requirements of this section to provide lending to residents of this state.

(2) The department shall develop program guidelines, eligibility criteria, and an application process for organizations to provide lending to individuals with a demonstrated financial hardship or need.

(3) The department shall award grants to organizations that have a license under section 12 of the deferred presentment service transactions act, 2005 PA 244, MCL 487.2132, or are a bank, credit union, community development financial institution, or nonprofit organization licensed and regulated under state or federal law. The lender must have at least 1 physical location in this state and serve residents of this state.

(4) Lenders must use grants to provide short-term loans of not more than \$1,200.00 to individuals with a demonstrated financial hardship or need. The annual percentage rate on the loan must not be more than 36%. Lenders that receive grants under this program may use the interest generated off of the loans from the grants received to issue additional loans under the requirements of this section.

(5) If an organization no longer complies with this program, then the lender must return the grant amount to the department.

(6) The department may not use more than 2% of the total appropriation under this section for administration of the program and may not use more than 5% of the total appropriation under this section for marketing and outreach.

(7) The department shall submit quarterly reports to the standard report recipients that provide all of the following information:

(a) Grants issued to each grant recipient that received a grant under this program.

(b) The number individuals serviced by each grant recipient.

(c) The percentage of loans paid back to each grant recipient.

(d) Any grant recipients that have returned grants to the department and are no longer participating in the program.

(e) Any feedback from grant recipients on the program.

(8) After the first year of the program, the department is required to submit only an annual report by March 15 that includes the information required in subsection (7).

(9) Unexpended funds appropriated in part 1 for short-term loan grants are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide short-term loan grants to eligible applicants.

(b) The project will be accomplished by using state employees, contracts, or grants.

(c) The estimated cost of the project is \$2,500,000.00.

(d) The tentative completion date is September 30, 2029.

Sec. 1041. Funds appropriated in part 1 for small business development must be allocated to institutions that serve as small business development center regional hosts to offset operations costs and federal match requirements.

Sec. 1042. Funds appropriated in part 1 for starfish family services must be awarded to an early childhood education service provider with locations in a city with a population greater than 600,000 according to the most recent federal decennial census, to provide high quality services and to support facility infrastructure improvements.

Sec. 1043. (1) From the funds appropriated in part 1 for symphony orchestra grants, \$750,000.00 must be allocated to a symphony orchestra located in a city with a population greater than 600,000 according to the most recent federal decennial census, to support infrastructure improvements at the orchestra.

(2) From the funds appropriated in part 1 for symphony orchestra grants, \$5,250,000.00 must be allocated for a program that distributes need-based grants to symphonies in this state that have a demonstrated financial need for state support. The department or the fund shall develop need-based grant program guidelines and implement a grant application process. Grants must be awarded on a proportional basis if grant applications exceed the allocated \$5,250,000.00.

Sec. 1044. Funds appropriated in part 1 for talent and growth must be used by the department to address current and future workforce needs and population growth. These funds may be used for the following:

(a) The operation of the talent action teams fast track system to provide specialized economic assistance to businesses locating or expanding in this state and developing customized solutions to fill identified talent gaps in key industries.

(b) Grants to support industry-led collaboratives, USDOL approved apprenticeships, and other innovative sector strategies in key industries to support the creation of good and promising jobs that make this state's economy more resilient by addressing talent shortages in current and future growth sectors in every region of the state. Grant funds may be used for, but are not limited to, training and activities proposed by the employer-led collaboratives to address identified workforce needs, identify barriers, and support solutions for barrier removal.

(c) To collaborate with institutions of higher education, community colleges, Michigan works agencies, private training providers, nonprofit entities, organized labor, state agencies, and local units of government on this program. Services may include, but are not limited to, assistance in the recruitment of talent to this state, facilitating contracting with third parties to provide workforce training, recruitment, and screening of job seekers on behalf of qualified businesses, scholarships and resources for individuals qualifying for in-demand occupations, and identifying barriers and supporting solutions for barrier removal.

(d) Growth programs and activities including, but not limited to, growth pilots across the state, research and polling, engagement efforts for growth, and strategies to support talent attraction and retention.

(e) Not more than 5% of the funds appropriated for talent and growth may be retained by the department for administration.

Sec. 1045. From the funds appropriated in part 1 for walkabouts multisensory movement-based learning, the department shall award a grant to a program that provides supplemental learning tools that integrate physical movement and multisensory lessons to complement traditional classroom instruction.

Sec. 1046. Funds appropriated in part 1 for Wayne metro must be allocated to a nonprofit organization headquartered in a city with a population greater than 600,000 according to the most recent federal decennial census, that operates a community center in a city with a population between 8,500 and 9,000 in a county with a population between 1,700,000 and 1,850,000 according to the most recent federal decennial census, for structural improvements to a nonprofit community center.

Sec. 1047. Funds appropriated in part 1 for winter sports Muskegon must be allocated to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a county with a population between 175,000 and 176,000 according to the most recent federal decennial census. The nonprofit organization recipient must have an existing facility, be in partnership with the department of natural resources, and promote family health and wellness year-round. The funds may be used for facility and park upgrades and other operational costs identified by the organization to support the organization's mission and goals.

Sec. 1048. Funds appropriated in part 1 for women of tomorrow must be allocated to a women's mentoring and scholarship program that is headquartered in a county with a population between 1,000,000 and 1,500,000 according to the most recent federal decennial census.

Sec. 1049. Funds appropriated in part 1 for young adult wellbeing and success must be awarded to a program based in a city with a population between 41,000 and 43,000 according to the most recent federal decennial census, that provides evidence-informed workshops to build mental and emotional well-being, increase academic and life outcomes, and develop skills for twenty-first-century jobs in individuals that are in grades 6 through 12 or in early postsecondary education.

Sec. 1050. Funds appropriated in part 1 for youth career development program must be awarded to an entity developing an initiative based on the USDOL YouthBuild model that serves emancipated youth and emerging adults ages 16 to 24 who experience vulnerable circumstances that prevent them from engaging in education, professional training, and living wage employment opportunities. The department shall allocate the funds under this section to an entity located in a township with a population between 1,805 and 1,815 in a county with a population between 132,000 and 135,000 according to the most recent federal decennial census for a youth career development program.

Sec. 1050a. (1) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to a nonprofit organization that provides support and no-cost therapy to children impacted by abuse in a county with a population between 284,000 and 285,000 and a county with a population between 109,000 and 110,000 according to the most recent federal decennial census.

(2) From the funds appropriated in part 1 for community enhancement grants, \$320,000.00 shall support the construction of a facility that will provide safe and supportive space for students that are located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit organization that is located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census and did not receive a community center grant under 2023 PA 5. The funds shall be used to support operations that include, but are not limited to, community food pantries and clothing closet programs.

(4) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit faith organization that is located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census and did not receive a community center grant under 2023 PA 5. The funds must be used to support community center infrastructure and operations.

(5) From the funds appropriated in part 1 for community enhancement grants, \$2,500,000.00 shall be awarded to a school district located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support school infrastructure improvements.

(6) From the funds appropriated in part 1 for community enhancement grants, \$150,000.00 shall be awarded for a feasibility study on transforming a public school building into a community center for a school district in a charter township with a population between 27,000 and 28,000 in a county with a population between 284,000 and 285,000.

(7) From the funds appropriated in part 1 for community enhancement grants, \$10,000,000.00 shall be awarded to a zoo located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support infrastructure improvements.

(8) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a baseball stadium located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support infrastructure improvements.

(9) From the funds appropriated in part 1 for community enhancement grants, \$5,000,000.00 shall be awarded to a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to support park infrastructure improvements.

(10) From the funds appropriated in part 1 for community enhancement grants, \$527,000.00 shall be awarded to a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to support sidewalk reconstruction around a civic theater.

(11) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a city with a population between 76,500 and 76,600 located in a county with a population between 650,000 and 660,000 according to the most recent federal decennial census for wall repair work and other improvements.

(12) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a qualified Yemeni nonprofit organization to provide communities with the best services suited to the communities according to their time and needs, with no prejudice, and regardless of religion, culture, or ethnic background. As used in this section, “qualified Yemeni nonprofit organization” means an organization that meets all of the following criteria:

(a) Was established in 2000.

(b) Is organized under the laws of this state.

(c) Is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(d) Has its administrative office located in a city with a population between 109,000 and 110,000 in a county with a population of greater than 1,750,000 according to the most recent federal decennial census.

(13) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to an economic and business development organization that supports predominantly minority neighborhoods located to a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to support economic growth for those communities.

(14) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a nonprofit boxing gym located in a city with a population greater than 600,000 according to the most recent federal decennial census to support services that provide free out-of-school time programming and supports program alumni, students, and families.

(15) From the funds appropriated in part 1 for community enhancement grants, \$200,000.00 shall be awarded to a city with a population between 14,000 and 15,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support infrastructure improvements at a public library.

(16) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded to a city with a population between 81,000 and 82,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census to support infrastructure improvements at a fieldhouse.

(17) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a community center located in a city with a population between 81,000 and 82,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census to support structural updates and repairs to support the operations of the center.

(18) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to support mixed-income and mixed-use housing development in the downtown of a city with a population between 81,000 and 82,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census.

(19) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded to a life center located to a city with a population between 81,000 and 82,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census to support infrastructure improvements at the center.

(20) From the funds appropriated in part 1 for community enhancement grants, \$100,000.00 shall be awarded as a historic preservation grant to a historical society located in a city with a population between 63,400 and 64,000 and a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(21) From the funds appropriated in part 1 for community enhancement grants, \$200,000.00 shall be awarded to a city with a population between 9,300 and 9,350 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to support park infrastructure improvements.

(22) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a city with a population between 4,100 and 5,000 in a county with a population between 160,000 and 161,000 according to the most recent federal decennial census to support community infrastructure improvements.

(23) From the funds appropriated in part 1 for community enhancement grants, \$5,000,000.00 shall be awarded to a city with a population between 15,000 and 16,000 in a county with a population between 880,000 and 900,000 according to the most recent federal decennial census to support downtown redevelopment.

(24) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a senior center located in a city with a population between 73,000 and 74,000 in a county with a population between 260,000 and 262,000 according to the most recent federal decennial census to support improvement to the facility.

(25) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a soup kitchen located in a city with a population between 44,000 and 45,000 in a county with a population between 190,000 and 191,000 according to the most recent federal decennial census to support community food services.

Sec. 1050b. (1) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a township with a population between 8,000 and 9,000 in a county with a population between 372,000 and 373,000 according to the most recent federal decennial census to support a park development project.

(2) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a 501(c)(3) nonprofit corporation committed to driving economic growth within minority communities that is headquartered in a city with a population greater than 600,000 according to the most recent federal decennial census to support its operation and expand its business development programming to provide training, certification, and other resources that promotes the growth of minority business enterprises.

(3) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to a nonprofit organization located in a city with a population greater than 600,000 according to the most recent federal decennial census to support transportation services during severe weather events and nontraditional hours.

(4) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to a nonprofit in a city with a population between 80,000 and 82,000 in a county with a population between 400,000 and 410,000 according to the most recent federal decennial census to support a microbusiness resource center to support local innovators and entrepreneurs, manage co-working space for local entrepreneurs, and relaunch shops in the city.

(5) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to an app development academy at a university located in a county with a population between 284,000 and 285,000 according to the most recent federal decennial census to support student wraparound services.

(6) From the funds appropriated in part 1 for community enhancement grants, \$3,500,000.00 shall be awarded to a statewide nonprofit alliance with at least 17 publicly accessible locations statewide to support pandemic relief efforts.

(7) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to an organization located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support program expansion, provide student supports, and dropout prevention.

(8) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a statewide council that supports women in technology careers and programming activities.

(9) From the funds appropriated in part 1 for community enhancement grants, \$6,500,000.00 shall be awarded to a community conference partnership located in a city with a population between 30,000 and 31,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to support facility infrastructure improvements.

(10) From the funds appropriated in part 1 for community enhancement grants, \$150,000.00 shall be awarded to an early literacy pilot program located in a city with a population between 123,800 and 123,900 according to the most recent federal decennial census to support the early literacy pilot program's approach to individualized literacy education to help struggling readers.

(11) From the funds appropriated in part 1 for community enhancement grants, \$900,000.00 shall be awarded to a city with a population between 26,000 and 27,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to support upgrades and infrastructure improvements to a community center.

(12) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a charter township with a population between 98,000 and 99,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census to support municipal building improvements.

(13) From the funds appropriated in part 1 for community enhancement grants, \$4,500,000.00 shall be awarded to a city with a population between 31,000 and 32,000 in a county with a population between 160,000 and 161,000 according to the most recent federal decennial census to support a downtown development project.

(14) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit organization located in a city with a population between 31,000 and 32,000 in a county with a population between 160,000 and 161,000 according to the most recent federal decennial census to support community center improvements and services.

(15) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a railroad history museum located in a city with a population between 3,500 and 4,000 in a county with a population between 68,000 and 69,000 according to the most recent federal decennial census to support property improvements.

(16) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a city with a population between 139,000 and 140,000 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census to support park and recreation facility improvements.

(17) From the funds appropriated in part 1 for community enhancement grants, \$150,000.00 shall be awarded to a community organization focused on reusing material and educational resources to promote sustainability and creativity that is located in a city with a population greater than 600,000 according to the most recent federal decennial census to support infrastructure improvements and programming.

(18) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a nonprofit business investment firm located in a city with a population greater than 600,000 according to the most recent federal decennial census to support historic building rehabilitation.

(19) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a marketplace center that specializes in distributing products for various African and Caribbean countries and is located in a city with a population greater than 600,000 according to the most recent federal decennial census to support retail, incubation, distribution, and e-commerce system development.

(20) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a teacher collaborative located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census to support programming.

(21) From the funds appropriated in part 1 for community enhancement grants, \$750,000.00 shall be awarded to a school district that primarily serves a city with a population between 12,000 and 13,000 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census to support an early childhood center.

(22) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a public museum located in a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to improve access to museum artifacts and archives.

(23) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a city with a population greater than 38,000 in a county with a population between 175,000 and 176,000 according to the most recent federal decennial census to support a public access point, recreational area.

(24) From the funds appropriated in part 1 for community enhancement grants, \$2,500,000.00 shall be awarded to a township with a population greater than 4,000 in a county with a population between 26,600 and 27,000 according to the most recent federal decennial census to support the construction of an indoor sports facility.

Sec. 1050c. (1) From the funds appropriated in part 1 for community enhancement grants, \$3,200,000.00 shall be awarded to the Mackinac Island state park commission to support the purchase of a 16-acre parcel.

(2) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 shall be awarded to support the capital improvements, upgrades, and expansion of a sports complex located in a township with a population between 33,000 and 34,000 in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a biomedical research institution in a city with a population between 198,000 and 199,000 according to the most recent federal decennial census.

(4) From the funds appropriated in part 1 for community enhancement grants, \$3,500,000.00 shall be awarded to a hospital located in a city with a population between 8,000 and 9,000 in a county with a population between 45,000 and 46,000 according to the most recent federal decennial census to support upgrades to the hospital.

(5) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a city with a population between 13,000 and 14,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support building renovations to a nonprofit community house.

(6) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to support capital and security improvements to a ballpark located in a city with a population between 5,000 and 5,500 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census.

(7) From the funds appropriated in part 1 for community enhancement grants, \$1,900,000.00 shall be awarded to a city with a population between 87,000 and 88,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support the purchase of a fire ladder truck.

(8) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to support road repair projects for the following purposes:

(a) \$1,184,000.00 shall be awarded to support 2 road projects located in a county with a population between 64,000 and 65,000 according to the most recent federal decennial census.

(b) \$816,000.00 shall be awarded to support a road project located in a city with a population between 21,600 and 21,700 in a county with a population between 64,000 and 65,000 according to the most recent federal decennial census.

(9) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a county with a population between 29,000 and 30,000 according to the most recent federal decennial census to support road repairs.

(10) From the funds appropriated in part 1 for community enhancement grants, \$1,900,000.00 shall be awarded to a nonprofit foster care home organization located in a charter township with a population between 44,000 and 45,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support wraparound services for youth who are currently in foster care or have aged out of foster care.

(11) From the funds appropriated in part 1 for community enhancement grants, \$1,200,000.00 shall be awarded to a nonprofit hospital located in a county with a population between 14,000 and 15,000 according to the most recent federal decennial census to support obstetrical and maternal health services.

(12) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to support restoration projects on the Boardman and Ottaway River, including reconnecting the watershed with the Great Lakes. The funds must be used to replace a high-hazard dam and protect a Great Lakes fishery.

(13) From the funds appropriated in part 1 for community enhancement grants, \$750,000.00 shall be awarded to an Indian tribe located in a county with a population between 36,700 and 36,800 according to the most recent federal decennial census to support housing and care for tribal homeless members.

(14) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to support the renovations of a snowmobile track located in a city with a population between 13,000 and 14,000 in a county with a population between 36,700 and 36,800 according to the most recent federal decennial census.

(15) From the funds appropriated in part 1 for community enhancement grants, the department or fund shall award grants for facilities that support the administration of election activities including, but not limited to, the storage of election equipment, secure spaces for tabulation or processing of ballots, and the training of election workers. The department or fund shall award grants of \$1,000,000.00 to each of the following municipalities:

(a) A city with a population between 106,000 and 108,000 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census.

(b) A city with a population between 195,000 and 200,000 according to the most recent federal decennial census.

(c) A city with a population between 120,000 and 125,000 in a county with a population between 350,000 and 400,000 according to the most recent federal decennial census.

(d) A city with a population between 45,200 and 45,300 located in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census.

(16) From the funds appropriated in part 1 for community enhancement grants, \$4,000,000.00 shall be awarded to a public university in a city with a population between 7,000 and 8,000 in a county with a population between 39,000 and 40,000 according to the most recent federal decennial census for museum construction and expansion.

(17) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a proprietary school located in a city with a population between 111,000 and 114,000 according to the most recent federal decennial census. The proprietary school must have a mission to provide individuals with quality training to advance the individuals' skills sets, grow operational knowledge, and expand attributes necessary for advanced careers in the hospitality industry. Funds must be expended for workforce training programs in the hospitality industry to help alleviate the effects of the COVID-19 pandemic on the industry and the reduced amount of training available during the pandemic.

(18) From the funds appropriated in part 1 for community enhancement grants, \$2,000,000.00 shall be awarded to a university located in a county with a population between 280,000 and 285,000 according to the most recent federal decennial census, for the renovation and operation of a child development lab located in a city with a population between 107,000 and 108,000 in a county with a population between 280,000 and 285,000 according to the most recent federal decennial census. The grant is subject to the successful execution of a lease agreement with the university and all funds lapse if an agreement is not reached.

(19) From the funds appropriated in part 1 for community enhancement grants, \$1,900,000.00 shall be awarded to a school district located in a charter township with a population between 41,600 and 41,700 in a county with a population between 190,000 and 192,000 according to the most recent federal decennial census to support renovations of a community pool.

(20) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to a nonprofit organization located in a city with a population between 198,000 and 199,000 in a county with a population between 650,000 and 660,000 according to the most recent federal decennial census that is an inclusive community of faith. The funds must be used to support the construction of a community outreach center.

(21) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to a Holocaust center in a city with a population between 83,900 and 84,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

(22) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit regional history center located in a city with a population between 20,600 and 20,700 in a county with a population between 66,000 and 66,100 according to the most recent federal decennial census to pay off an existing mortgage on the regional history center.

(23) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a 501(c)(3) nonprofit organization with a mission to stabilize, revitalize, and rebuild Detroit neighborhoods located in a city with a population greater than 600,000 according to the most recent federal decennial census to support neighborhood block grants.

(24) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a city with a population between 81,200 and 81,300 in a county with a population between 406,000 and 407,000 according to the most recent federal decennial census for blight elimination activities.

(25) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be allocated to an eligible vendor to provide literacy tutoring services and enrichment programs to districts or intermediate districts or both districts and intermediate districts. The eligible entity must have received a grant under former section 31c of the state school aid act of 1979, 1979 PA 94, MCL 388.1631c, as added by 2022 PA 212.

Sec. 1050d. (1) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit organization that advocates for historic places in this state to contribute to the economic vitality, sense of place, and connection to the past headquartered in a city with a population greater than 600,000 located in a county with a population greater than 1,500,000 according to the most recent federal decennial census for the restoration of the historic Fisher Building.

(2) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit organization with a mission dedicated to equipping determined young adults through life skills training, proactive coaching, long-term mentoring, and the discipline of golf in order to succeed in college, in their careers, and beyond that is located in a county with a population greater than 1,500,000 according to the most recent federal decennial census for the renovation of a facility.

(3) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit organization with a mission to help youth and community gain mental and physical well-being as well as a well-rounded view of life with an understanding of their environment and culture located in a city with a population greater than 500,000 according to the most recent federal decennial census for the renovation of a facility used for youth programming.

(4) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit public radio station that is a community service of a university located in a city with a population greater than 500,000 according to the most recent federal decennial census for construction, equipment, and upgrades to the public radio station and offices.

(5) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit organization that is a collaborative partnership of social entrepreneurs, business owners, and nonprofit leaders committed to sustainable solutions and providing holistic legacy development programs located in a city with a population greater than 500,000 according to the most recent federal decennial census for the acquisition and development of disinvested land in a city with a population greater than 500,000 according to the most recent federal decennial census.

(6) From the funds appropriated in part 1 for community enhancement grants, \$700,000.00 shall be awarded to a nonprofit organization that provides educational programs, basic skill building, and learning enhancement for at-risk children and adults located in a city with a population greater than 500,000 according to the most recent federal decennial census for program expansions and capital support for a testing site.

(7) From the funds appropriated in part 1 for community enhancement grants, \$600,000.00 shall be awarded to a nonprofit organization driving workforce solutions through community partnerships located in a city with a population between 44,200 and 44,300 in a county with a population between 190,000 and 191,000 according to the most recent federal decennial census to sustain and expand a workforce success initiative that addresses workforce retention issues.

(8) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a community college located in a county with a population between 154,000 and 154,500 according to the most recent federal decennial census for equipment, staffing, training, and credentialing.

(9) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nature center that is a 501(c)(3) organization with an outdoor environmental lab located in a county with a population between 657,000 and 660,000 according to the most recent federal decennial census for capital upgrades and to make enhancements to enable public school use.

(10) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 86,000 and 88,000 according to the most recent federal decennial census. The nonprofit organization recipient shall have an existing network of ESL residents it has helped with applying for social service benefits, as well as a history of educating ESL residents on state and federal social service benefits for which the residents may qualify. The funding may be used to cover employee costs, food and supplies, equipment, and other operational costs identified by the organization to support their mission and goals. As used in this subsection, “ESL” means English as a second language.

(11) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to nonprofit organization that is an organization of community groups and businesses located in a city with a population between 61,600 and 61,700 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support efforts to increase the availability of social workers and psychologists in the region by offering internships and other support to college students.

(12) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit organization that provides leadership and education that will cultivate the growth of freemasonry in this state located in a city with a population greater than 600,000 according to the most recent federal decennial census for building renovations, including acquisition, planning, design, construction, repair, renovation, site improvement, and capital equipping.

(13) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit state-of-the-art performing arts venue that is located in a city with a population between 5,800 and 5,900 in a county with a population between 34,000 and 35,000 according to the most recent federal decennial census for operational support.

(14) From the funds appropriated in part 1 for community enhancement grants, \$425,000.00 shall be awarded to a nonprofit organization gun club located in a charter township with a population between 10,100 and 10,200 in a county with a population between 190,000 and 191,000 according to the most recent federal decennial census to assist with the construction of an indoor gun range.

(15) From the funds appropriated in part 1 for community enhancement grants, \$300,000.00 shall be awarded to a nonprofit organization serving the Latinx community located in a county with a population between 134,000 and 135,000 according to the most recent federal decennial census to support the build out of an incubator kitchen.

(16) From the funds appropriated in part 1 for community enhancement grants, \$300,000.00 shall be awarded to a nonprofit organization dedicated to providing low-income, marginalized, disenfranchised, and at-risk individuals the tools to get to the next stages in life located in a county with a population between 405,000 and 410,000 according to the most recent federal decennial census for operational costs to help African-American students gain skills and employment.

(17) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a nonprofit organization located in a charter township with a population between 55,600 and 55,700 in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census for domestic violence counseling, transitions, and support.

(18) From the funds appropriated in part 1 for community enhancement grants, \$250,000.00 shall be awarded to a nonprofit organization with a goal of delivering an environment that transforms senior living and services, while enhancing the communities it serves located in a city with a population between 76,600 and 76,700 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for senior housing and infrastructure needed to provide digital security and Wi-Fi throughout the property.

(19) From the funds appropriated in part 1 for community enhancement grants, \$160,000.00 shall be awarded to a nonprofit organization that in part seeks to play a role in local economic development strategies designed to foster year-round economic growth activity that is located in a county with a population between 75,000 and 76,000 according to the most recent federal decennial census for startup costs of the hub, including equipment and programming, to assist small businesses.

(20) From the funds appropriated in part 1 for community enhancement grants, \$150,000.00 shall be awarded to a nonprofit organization that empowers people to overcome barriers by becoming agents of change that transform their community that is located in a county with a population between 154,000 and 154,500 according to the most recent federal decennial census to support the startup of an incubator and talent attraction program.

(21) From the funds appropriated in part 1 for community enhancement grants, \$100,000.00 shall be awarded to a nonprofit organization that is a full-service organization serving children, families, and adults of all ages that is located in a city with a population between 9,100 and 9,200 in a county with a population between 154,000 and 155,000 according to the most recent federal decennial census to help with occupancy costs for domestic violence and sexual assault survivors.

(22) From the funds appropriated in part 1 for community enhancement grants, \$100,000.00 shall be awarded to a nonprofit organization serving Hispanics and residents of southwest Detroit that is located in a city with a population greater than 500,000 according to the most recent federal decennial census for operational support and the expansion of current senior services.

(23) From the funds appropriated in part 1 for community enhancement grants, \$80,000.00 shall be awarded to a nonprofit with a mission to educate and empower male and female youth in developing the potential and skills to become productive, confident individuals in a global society that is located in a county with a population greater than 1,500,000 according to the most recent federal decennial census for a historic renovation project located in a city with a population between 26,000 and 26,100 in a county with a population greater than 1,500,000 according to the more recent federal decennial census.

(24) From the funds appropriated in part 1 for community enhancement grants, \$50,000.00 shall be awarded to a charter township with a population between 2,300 and 2,400 located in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support youth and senior activities and programming.

(25) From the funds appropriated in part 1 for community enhancement grants, \$50,000.00 shall be awarded to a nonprofit organization with a mission to maximize and balance the intellectual, spiritual, mental, and physical elements of all participating student-athletes that is located in a city with a population between 52,700 and 52,800 in a county with a population between 134,000 and 134,500 according to the most recent federal decennial census to assist in securing the remaining funding needed to build out the temporary or permanent childcare project, or both.

(26) From the funds appropriated in part 1 for community enhancement grants, \$50,000.00 shall be awarded to a nonprofit organization that is a ministry that is located in a city with a population between 52,700 and 52,800 in a county with a population between 134,000 and 134,500 according to the most recent federal decennial census for an elevator installation and upgrade.

(27) From the funds appropriated in part 1 for community enhancement grants, \$50,000.00 shall be awarded to a nonprofit organization with a mission to create pathways to discover and fulfill one's life purpose and provide Kingdom building opportunities through community involvement that is located in a city with a population between 52,700 and 52,800 in a county with a population between 134,000 and 134,500 according to the most recent federal decennial census for an apprenticeship program.

(28) From the funds appropriated in part 1 for community enhancement grants, \$40,000.00 shall be awarded to a village with a population between 2,400 and 2,500 located in a county with a population between 193,000 and 194,000 according to the most recent federal decennial census for a youth community development center.

(29) From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to support the expansion of a library located in a city with a population between 6,100 and 6,200 in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

(30) From the funds appropriated in part 1 for community enhancement grants, \$500,000.00 shall be awarded to a nonprofit community action agency for support and repairs to a senior center facility located in a city with a population between 5,200 and 5,300 in a county with a population between 36,800 and 37,000 according to the most recent federal decennial census.

(31) From the funds appropriated in part 1 for community enhancement grants, \$400,000.00 shall be awarded to a school district located in a city with a population between 800 and 900 in a county with a population between 23,500 and 23,600 according to the most recent federal decennial census for track resurfacing.

Sec. 1050e. (1) From the funds appropriated in part 1 for community enhancement grants, \$3,000,000.00 must be expended to provide rebates to motor fuel retail establishments, as provided in this section.

(2) The department, in conjunction with the department of treasury, shall establish and administer a rebate program to incentivize the sale of blended fuel containing ethanol 15 at motor fuel retail establishments in this state. The department may promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, necessary to implement and administer the rebate program. The rebate program must comply with all of the following requirements:

(a) A motor fuel retailer that sells blended fuel containing ethanol 15 is eligible to receive a rebate of 5 cents per gallon of blended fuel sold, subject to compliance with this section. The rebate must be provided on a per-gallon-sold basis for each gallon of blended fuel sold that contains ethanol 15.

(b) The department, in conjunction with the department of treasury, shall develop an application process that motor fuel retailers must utilize to receive a rebate under this section. The application developed by the department must include a requirement that documentation be included with the application to verify that the sale of blended fuel containing ethanol 15 occurred during the applicable fiscal year.

(c) An individual motor fuel retailer must not receive a total rebate that exceeds \$100,000.00 in the fiscal year.

(3) To qualify for a rebate under this section, motor fuel retailers must meet both of the following requirements:

(a) Be licensed by the department of agriculture and rural development to sell motor fuel in this state.

(b) Sell blended fuel containing ethanol 15 to consumers.

(4) Any motor fuel retailer that receives a rebate under this section shall provide quarterly reports to the department of treasury. The quarterly reports must include the volume of blended fuel containing ethanol 15 sold and any other information that the department or the department of treasury considers necessary for program evaluation and oversight.

(5) As used in this section:

(a) "Blended fuel containing ethanol 15" means gasoline blended with 15% ethanol by volume.

(b) "Motor fuel retail establishment" means any business or entity licensed by the department of agriculture and rural development to offer motor fuel for retail sale to the public in this state.

(c) "Rebate" means a monetary incentive provided to gasoline retail establishments as described in this section.

Sec. 1051. (1) From the funds appropriated in part 1 for healthcare grants, \$5,000,000.00 shall be awarded to a hospital located in a city with a population between 5,200 and 5,300 in a county with a population between 109,000 and 110,000 according to the most recent federal decennial census to support infrastructure modernization.

(2) From the funds appropriated in part 1 for healthcare grants, \$5,000,000.00 shall be awarded to a healthcare provider that operates a level I trauma facility in a city with a population between 112,000 and 113,000 according to the latest federal decennial census to improve emergency medical services and critical care transport access in this state. The recipient of funding under this section shall use these funds for all of the following:

(a) In conjunction with a community college with an existing paramedic education curriculum, explore the development and implementation of a program to increase enrollment and enhance emergency medical service and paramedic education.

(b) Provide emergency ground ambulance services in a county with a population between 280,000 and 285,000 according to the latest federal decennial census.

(c) Help expand emergency ground ambulance services in a county with a population between 109,000 and 110,000 according to the latest federal decennial census.

(d) Help cover costs related to emergency air ambulance fleet services throughout this state.

(3) From the funds appropriated in part 1 for healthcare grants, \$1,000,000.00 shall be awarded to a community center that serves vulnerable populations that is located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support infrastructure improvements.

(4) From the funds appropriated in part 1 for healthcare grants, \$12,500,000.00 shall be awarded to a pediatric center of behavioral health located in a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to support infrastructure improvements.

(5) From the funds appropriated in part 1 for healthcare grants, \$1,650,000.00 shall be awarded to a community health center located in a city with a population between 7,000 and 8,000 in a county with a population between 62,000 and 63,000 according to the most recent federal decennial census to support job training.

(6) From the funds appropriated in part 1 for healthcare grants, \$250,000.00 shall be awarded to a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to support mental health crisis response.

(7) From the funds appropriated in part 1 for healthcare grants, \$5,000,000.00 shall be awarded to a cancer treatment facility located in a city with a population greater than 600,000 according to the most recent federal decennial census to support research, treatment, and patient care.

(8) From the funds appropriated in part 1 for healthcare grants, \$3,300,000.00 shall be awarded to the community economic development association of Michigan to support voluntary income tax assistance programs.

(9) From the funds appropriated in part 1 for healthcare grants, \$1,000,000.00 shall be awarded to a county community health network located in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support health services.

(10) From the funds appropriated in part 1 for healthcare grants, \$2,000,000.00 shall be awarded to a community and economic nonprofit organization focused on supporting the Warren Street corridor located in a city with a population greater than 600,000 according to the most recent federal decennial census to support community marketplace infrastructure improvements.

(11) From the funds appropriated in part 1 for healthcare grants, \$2,200,000.00 shall be awarded to a rehabilitation recovery and wellness center located in a city with a population between 81,000 and 82,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census to support operations of the center.

(12) From the funds appropriated in part 1 for healthcare grants, \$2,000,000.00 shall be awarded to a township with a population between 15,000 and 16,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census to support facility improvements at a senior and enrichment center.

(13) From the funds appropriated in part 1 for healthcare grants, \$2,000,000.00 shall be awarded to a nonprofit technology and community center located in a city with a population between 81,000 and 82,000 in a county with a population between 400,000 and 500,000 according to the most recent federal decennial census to support infrastructure improvements.

(14) From the funds appropriated in part 1 for healthcare grants, \$125,000.00 shall be awarded to a community coalition focused on youth mental health and substance use prevention located in a city with a population between 4,000 and 5,000 in a county with a population between 372,000 and 373,000 according to the most recent federal decennial census to support youth service programs.

Sec. 1052. (1) From the funds appropriated in part 1 for housing grants, \$1,000,000.00 shall be awarded to a nonprofit organization that supports food and shelter needs that is located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support programming and services.

(2) From the funds appropriated in part 1 for housing grants, \$450,000.00 shall be awarded to a nonprofit organization that provides support for youth facing homelessness and is located in a city with a population between 198,000 and 199,000 according to the most recent federal decennial census to support the construction of housing units for homeless youth.

(3) From the funds appropriated in part 1 for housing grants, \$1,000,000.00 shall be awarded to an organization that provides legal help and statewide advocacy and is headquartered in a city with a population between 20,000 and 21,000 in a county with a population between 372,000 and 373,000 according to the most recent federal decennial census to support legal services to member organizations.

(4) From the funds appropriated in part 1 for housing grants, \$1,000,000.00 shall be awarded as emergency shelter grants to local units of government in a county with a population between 372,000 and 373,000 according to the most recent federal decennial census.

(5) From the funds appropriated in part 1 for housing grants, \$400,000.00 shall be awarded to a nonprofit organization to which all of the following criteria apply:

(a) The nonprofit focuses on raising awareness of skilled trades as a viable career option.

(b) The nonprofit has previously distributed educational booklets on building a house or an activity book for the skilled trades.

(c) The nonprofit is affiliated with a statewide residential building trade organization.

(6) The funds awarded under subsection (5) must be used to develop, produce, and distribute to intermediate school districts age-appropriate books focusing on careers for students in grades K-8.

Sec. 1053a.(1) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a city with a population between 2,000 and 2,600 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support a seawall project.

(2) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population between 12,000 and 13,000 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census to support a break wall project.

(3) From the funds appropriated in part 1 for infrastructure grants, \$3,000,000.00 shall be awarded to a city with a population between 20,000 and 21,000 in a county with a population between 372,000 and 373,000 according to the most recent federal decennial census to support community infrastructure projects.

(4) From the funds appropriated in part 1 for infrastructure grants, \$1,600,000.00 shall be awarded to a city with a population greater than 32,000 in a county with a population between 103,000 and 104,000 according to the most recent federal decennial census to support bridge reimbursement costs.

(5) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a city with a population between 11,000 and 11,400 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support water infrastructure projects.

(6) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population between 29,000 and 30,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support water and road infrastructure projects.

(7) From the funds appropriated in part 1 for infrastructure grants, \$2,500,000.00 shall be awarded to a city with a population between 27,000 and 28,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support sidewalk improvements.

(8) From the funds appropriated in part 1 for infrastructure grants, \$450,000.00 shall be awarded to a village with a population between 1,300 and 1,400 in a county with a population between 160,000 and 160,375 according to the most recent federal decennial census to support infrastructure upgrades to improve school route safety.

(9) From the funds appropriated in part 1 for infrastructure grants, \$5,000,000.00 shall be awarded to a bus transportation authority that is headquartered in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support facility improvements.

(10) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a nonprofit business investment firm in a city with a population greater than 600,000 according to the most recent federal decennial census to support building and mechanical repairs in buildings that currently provide low-income senior housing.

(11) From the funds appropriated in part 1 for infrastructure grants, \$5,000,000.00 shall be awarded to a city with a population between 63,400 and 64,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support community infrastructure upgrades.

(12) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a county with a population between 261,000 and 262,000 according to the most recent federal decennial census to support tornado relief efforts.

(13) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population between 4,000 and 4,400 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support community infrastructure projects.

(14) From the funds appropriated in part 1 for infrastructure grants, \$2,500,000.00 shall be awarded to a business association in a city with a population greater than 600,000 according to the most recent federal decennial census to support corridor improvements in the Warrendale neighborhood.

(15) From the funds appropriated in part 1 for infrastructure grants, \$1,035,000.00 shall be awarded to an association that supports municipal clerks to provide precinct accessibility grants to local clerks.

(16) From the funds appropriated in part 1 for infrastructure grants, \$5,000,000.00 shall be awarded to support a steam to hot water conversion project in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census.

(17) From the funds appropriated in part 1 for infrastructure grants, \$5,000,000.00 shall be awarded to support an intercounty drain district project in a county with a population between 109,000 and 110,000 according to the most recent federal decennial census.

(18) From the funds appropriated in part 1 for infrastructure grants, \$10,000,000.00 shall be awarded to a downtown development authority located in a city with a population between 4,900 and 5,000 in a county with a population between 190,000 and 191,000 according to the most recent federal decennial census to support a nonprofit regional or state facility hosting year-round sporting events and tournaments for 3 or more different sports.

(19) From the funds appropriated in part 1 for infrastructure grants, \$7,000,000.00 shall be awarded to a zoo located in a city with a population between 58,200 and 58,300 and in a city with a population between 6,300 and 6,400 according to the most recent federal decennial census for infrastructure upgrades.

(20) From the funds appropriated in part 1 for infrastructure grants, \$5,000,000.00 shall be awarded to a nonprofit organization in a city with a population greater than 500,000 according to the most recent federal decennial census to support the restoration and renovation of a historic playhouse located in that city that will provide a nonprofit venue for hosting community gatherings and performances.

(21) From the funds appropriated in part 1 for infrastructure grants, \$3,000,000.00 shall be awarded to a city with a population between 76,500 and 76,600 in a county with a population between 657,000 and 658,000 according to the most recent federal decennial census for a trail infrastructure project.

(22) From the funds appropriated in part 1 for infrastructure grants, \$3,000,000.00 shall be awarded to a nonprofit that helps to facilitate the development and use of nonmotorized recreational pathways in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census and surrounding areas and that is located in a city with a population between 123,000 and 124,000 in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census for a trail infrastructure project.

(23) From the funds appropriated in part 1 for infrastructure grants, \$2,500,000.00 shall be awarded to a charter township with a population between 98,600 and 98,700 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for renovations of a community recreation facility.

(24) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population of between 28,400 and 28,500 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for public works projects.

(25) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population of between 28,400 and 28,500 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for parks and recreation infrastructure.

Sec. 1053b. (1) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a water district in a charter township with a population of between 7,100 and 7,200 in a county with a population of between 109,000 and 110,000 according to the most recent federal decennial census for a water supply infrastructure project.

(2) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population of between 15,600 and 15,700 in a county with a population of between 880,000 and 885,000 according to the most recent federal decennial census for a riverfront revitalization project.

(3) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall be awarded to a city with a population between 25,000 and 25,100 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for a historic rehabilitation project at an arts center.

(4) From the funds appropriated in part 1 for infrastructure grants, \$1,600,000.00 shall be awarded to a county with a population between 190,000 and 191,000 according to the most recent federal decennial census for upgrades at an events center.

(5) From the funds appropriated in part 1 for infrastructure grants, \$1,500,000.00 shall be awarded to a city with a population between 15,600 and 15,700 in a county with a population between 880,000 and 885,000 according to the most recent federal decennial census to support a septic station project.

(6) From the funds appropriated in part 1 for infrastructure grants, \$1,200,000.00 shall be awarded to a nonprofit organization that operates a cemetery located in a city with a population between 52,700 and 52,800 in a county with a population between 134,000 and 135,000 according to the most recent federal decennial census for renovation and maintenance.

(7) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a nonprofit organization that is a ski club located in a county with a population between 25,900 and 26,000 according to the most recent federal decennial census for the construction and installation of an Americans with Disabilities Act compliant elevator to improve compliance and accessibility of a ski jump.

(8) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a charter township with a population between 39,100 and 39,200 in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census for park improvements and projects.

(9) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a city with a population between 29,500 and 29,600 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to support the construction of a new community recreational center.

(10) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a nonprofit human service agency that provides compassionate, comprehensive services to children and families throughout southeast Michigan and is located in a city with a population between 83,900 and 84,000 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for renovations at a campus of that nonprofit human service agency.

(11) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded for a county road replacement project located in a county with a population between 25,900 and 26,000 according to the most recent federal decennial census.

(12) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a nonprofit organization that is an alliance of community members and parks leaders working to support healthy, equitable, and vibrant parks in a city with a population greater than 500,000 according to the most recent federal decennial census for infrastructure and accessibility improvements.

(13) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a city with a population greater than 500,000 according to the most recent federal decennial census for parks and greenway infrastructure projects.

(14) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a port authority located in a county with a population greater than 1,500,000 according to the most recent federal decennial census for a pilot program and future development of port authority facilities.

(15) From the funds appropriated in part 1 for infrastructure grants, \$2,000,000.00 shall, subject to receipt of federal funding for the new air traffic control tower project, be awarded to an airport authority located in a county with a population between 650,000 and 660,000 according to the most recent federal decennial census for siting, design, and construction of a new air traffic control tower.

(16) From the funds appropriated in part 1 for infrastructure grants, \$800,000.00 shall be awarded to a homeowners association organized under the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192, located in charter township with a population between 65,800 and 65,900 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for a bridge replacement project.

(17) From the funds appropriated in part 1 for infrastructure grants, \$500,000.00 shall be awarded to a charter township with a population between 70,500 and 70,600 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census to sustain services for senior citizens.

(18) From the funds appropriated in part 1 for infrastructure grants, \$500,000.00 shall be awarded to a county with a population greater than 1,500,000 according to the most recent federal decennial census for school infrastructure and security upgrade projects.

(19) From the funds appropriated in part 1 for infrastructure grants, \$300,000.00 shall be awarded for technology to enhance public safety and connectivity in a commercial and entertainment district located in a city with a population greater than 500,000 according to the most recent federal decennial census.

(20) From the funds appropriated in part 1 for infrastructure grants, \$250,000.00 shall be awarded to a nonprofit teaching and training center for science, technology, engineering, and math in a city with a population between 7,600 and 7,800 in a county with a population between 134,000 and 135,000 according to the most recent federal decennial census for the installation of an elevator.

(21) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a charter township with a population between 7,600 and 7,700 in a county with a population between 190,000 and 191,000 according to the most recent federal decennial census to renovate a former school for administrative offices.

(22) From the funds appropriated in part 1 for infrastructure grants, \$150,000.00 shall be awarded to a city with a population of between 2,000 and 2,100 in a county with a population of between 154,000 and 154,500 according to the most recent federal decennial census for upgrades at a city hall.

(23) From the funds appropriated in part 1 for infrastructure grants, \$30,000.00 shall be awarded to a downtown development authority located in a city with a population between 9,100 and 9,200 in a county with a population between 154,000 and 154,500 according to the most recent federal decennial census for a theatre study.

(24) From the funds appropriated in part 1 for infrastructure grants, \$25,000.00 shall be awarded to a township with a population between 9,600 and 9,700 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for a park project.

(25) From the funds appropriated in part 1 for infrastructure grants, \$20,000.00 shall be awarded to a historical museum located in a township with a population between 21,200 and 21,300 in a county with a population between 193,000 and 194,000 according to the most recent federal decennial census to renovate and highlight the existing museum collection.

(26) From the funds appropriated in part 1 for infrastructure grants, \$1,000,000.00 shall be awarded to a township with a population between 17,500 and 17,600 in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census for road improvements.

Sec. 1054. (1) From the funds appropriated in part 1 for public safety grants, \$12,500,000.00 shall be awarded to a county with a population between 284,000 and 285,000 according to the most recent federal decennial census to support a juvenile center facility.

(2) From the funds appropriated in part 1 for public safety grants, \$800,000.00 shall be awarded to a city with a population between 28,000 and 29,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support the purchase of a new fire truck.

(3) From the funds appropriated in part 1 for public safety grants, \$7,000,000.00 shall be awarded to support the construction of a facility to house a district court and police department in a city with a population between 34,000 and 35,000 in a county with a population between 881,000 and 882,000 according to the most recent federal decennial census.

(4) From the funds appropriated in part 1 for public safety grants, \$3,500,000.00 shall be awarded to a city with a population between 85,000 and 86,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support fire department infrastructure upgrades.

(5) From the funds appropriated in part 1 for public safety grants, \$1,000,000.00 shall be awarded to a city with a population between 95,000 and 96,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support the purchase of fire equipment.

(6) From the funds appropriated in part 1 for public safety grants, \$6,000,000.00 shall be awarded to a city with a population between 109,000 and 110,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census to support health and security infrastructure upgrades.

(7) From the funds appropriated in part 1 for public safety grants, \$4,000,000.00 shall be awarded to support security needs for a Jewish federation located in a city with a population greater than 600,000 according to the most recent federal decennial census.

(8) From the funds appropriated in part 1 for public safety grants, \$2,000,000.00 shall be awarded to a community college located in a county with a population between 880,000 and 890,000 according to the most recent federal decennial census to support a public service institute.

(9) From the funds appropriated in part 1 for public safety grants, \$1,500,000.00 shall be awarded to a township with a population between 31,700 and 31,800 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for a fire engine.

(10) From the funds appropriated in part 1 for public safety grants, \$1,000,000.00 shall be awarded to a city with a population between 25,100 and 25,200 in a county with a population greater than 1,500,000 according to the most recent federal decennial census for maintenance and repairs of a public safety building.

(11) From the funds appropriated in part 1 for public safety grants, \$1,000,000.00 shall be awarded to a charter township with a population between 22,700 and 22,800 in a county with a population between 260,000 and 265,000 according to the most recent federal decennial census for police and fire infrastructure projects.

(12) From the funds appropriated in part 1 for public safety grants, \$1,000,000.00 shall be awarded to a charter township with a population between 23,700 and 23,800 in a county with a population between 260,000 and 265,000 according to the most recent federal decennial census to support the construction of a new fire station.

(13) From the funds appropriated in part 1 for public safety grants, \$750,000.00 shall be awarded to a city with a population between 134,300 and 134,400 in a county with a population between 880,000 and 885,000 according to the most recent federal decennial census for a police command vehicle.

(14) From the funds appropriated in part 1 for public safety grants, \$700,000.00 shall be awarded to a county with a population between 109,000 and 110,000 according to the most recent federal decennial census for a fire training center.

(15) From the funds appropriated in part 1 for public safety grants, \$500,000.00 shall be awarded to a city with a population between 28,400 and 28,500 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for HVAC upgrades at the police department.

(16) From the funds appropriated in part 1 for public safety grants, \$450,000.00 shall be awarded to a city with a population between 5,200 and 5,300 in a county with a population between 880,000 and 885,000 according to the most recent federal decennial census for the replacement of an ambulance.

(17) From the funds appropriated in part 1 for public safety grants, \$300,000.00 shall be awarded to a city with a population between 5,200 and 5,300 in a county with a population between 880,000 and 885,000 according to the most recent federal decennial census for fire and emergency medical technician radios.

(18) From the funds appropriated in part 1 for public safety grants, \$300,000.00 shall be awarded to a charter township with a population between 44,200 and 44,300 in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for replacement sets of firefighter gear and upgrading the first responder communications system.

(19) From the funds appropriated in part 1 for public safety grants, \$250,000.00 shall be awarded to a city with a population between 7,700 and 7,800 in a county with a population between 109,000 and 110,000 according to the most recent federal decennial census for storm cleanup and recovery from a storm that occurred in August 2023.

(20) From the funds appropriated in part 1 for public safety grants, \$200,000.00 shall be awarded to a township with a population between 2,790 and 2,800 in a county with a population between 120,000 and 121,000 according to the most recent federal decennial census for renovations to make Americans with Disabilities Act improvements to the senior activity center.

(21) From the funds appropriated in part 1 for public safety grants, \$200,000.00 shall be awarded to a city with a population between 5,200 and 5,300 in a county with a population between 880,000 and 885,000 according to the most recent federal decennial census for police equipment.

(22) From the funds appropriated in part 1 for public safety grants, \$100,000.00 shall be awarded to a center for urban studies at a university located in a city with a population greater than 500,000 according to the most recent federal decennial census to support transportation for an urban safety program focused on crime reduction.

(23) From the funds appropriated in part 1 for public safety grants, \$750,000.00 shall be awarded to a township with a population between 17,500 and 17,600 in a county with a population between 370,000 and 375,000 according to the most recent federal decennial census for a fire truck.

ARTICLE 10
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	30.0	
Full-time equated classified positions	1,791.0	
GROSS APPROPRIATION	\$	648,739,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		27,682,800
ADJUSTED GROSS APPROPRIATION	\$	621,056,200
Federal revenues:		
Total federal revenues		30,471,300
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		281,979,200
State general fund/general purpose	\$	308,605,700

For Fiscal Year
Ending Sept. 30,
2025

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	30.0	
Full-time equated classified positions	104.0	
Unclassified salaries—FTEs	30.0\$	2,993,800
Administrative services—FTEs	77.0	9,032,800
Executive director programs—FTEs	24.0	3,373,800
FOIA coordination—FTEs	3.0	351,800
Property management		7,067,100
Worker's compensation		93,400
GROSS APPROPRIATION	\$	22,912,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDIFS, accounting services		150,000
Federal revenues:		
EPA, underground storage tanks		30,400
HHS-Medicaid, certification of health care providers and suppliers		375,800
HHS-Medicare, certification of health care providers and suppliers		624,200
Special revenue funds:		
Aboveground storage tank fees		92,800
Accountancy enforcement fund		55,200
Boiler inspection fund		288,400
Builder enforcement fund		104,100
Construction code fund		836,400
Corporation fees		4,425,800
Elevator fees		312,500
Fire alarm fees		7,600
Fire safety standard and enforcement fund		2,100
Fire service fees		353,400
Fireworks safety fund		58,900
Health professions regulatory fund		1,886,200
Health systems fees		252,000
Licensing and regulation fund		899,000
Liquor license revenue		292,400
Liquor purchase revolving fund		3,173,100
Marihuana registry fund		191,600
Marihuana regulation fund		1,327,500
Marihuana regulatory fund		562,300
Michigan unarmed combat fund		5,900
Mobile home code fund		261,300
Nurse professional fund		40,500
PMECSEMA fund		48,000
Property development fees		7,800
Public utility assessments		3,314,000
Real estate appraiser education fund		2,700
Real estate education fund		11,700
Real estate enforcement fund		12,000
Refined petroleum fund		151,800
Securities fees		1,490,700
Securities investor education and training fund		9,600
Security business fund		7,100
Survey and remonumentation fund		97,800
Tax tribunal fund		825,300
Utility consumer representation fund		54,000
State general fund/general purpose	\$	270,800

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 103. PUBLIC SERVICE COMMISSION		
Full-time equated classified positions	223.0	
Public service commission—FTEs	223.0\$	41,071,000
GROSS APPROPRIATION	\$	41,071,000
Appropriated from:		
Federal revenues:		
DOT, gas pipeline safety		3,027,200
Special revenue funds:		
Public utility assessments		38,043,800
State general fund/general purpose	\$	0
Sec. 104. LIQUOR CONTROL COMMISSION		
Full-time equated classified positions	150.0	
Liquor licensing and enforcement—FTEs	119.0\$	17,885,900
Management support services—FTEs	31.0	4,921,600
GROSS APPROPRIATION	\$	22,807,500
Appropriated from:		
Special revenue funds:		
Direct shipper enforcement revolving fund		313,900
Liquor control enforcement and license investigation revolving fund		175,000
Liquor license fee enhancement fund		76,400
Liquor license revenue		8,377,400
Liquor purchase revolving fund		13,864,800
State general fund/general purpose	\$	0
Sec. 105. OCCUPATIONAL REGULATION		
Full-time equated classified positions	914.0	
Bureau of community and health systems—FTEs	164.0\$	26,253,600
Bureau of construction codes—FTEs	184.0	32,711,100
Bureau of fire services—FTEs	86.0	14,173,200
Bureau of professional licensing—FTEs	198.0	42,445,800
Bureau of survey and certification—FTEs	175.0	29,068,200
Corporations, securities, and commercial licensing bureau—FTEs	107.0	16,467,700
Urban search and rescue		1,000,000
GROSS APPROPRIATION	\$	162,119,600
Appropriated from:		
Federal revenues:		
DHS, fire training systems		528,000
DOT, hazardous materials training and planning		20,000
EPA, underground storage tanks		820,600
HHS-Medicaid, certification of health care providers and suppliers		9,118,700
HHS-Medicare, certification of health care providers and suppliers		14,647,000
Special revenue funds:		
Aboveground storage tank fees		343,700
Accountancy enforcement fund		1,206,000
Adult foster care facilities licenses fund		373,600
Boiler inspection fund		2,992,300
Builder enforcement fund		644,000
Construction code fund		13,565,600
Corporation fees		9,083,300
Division on deafness fund		73,400
Elevator fees		8,413,400
Fire alarm fees		138,300
Fire safety standard and enforcement fund		32,300
Fire service fees		3,115,800

		For Fiscal Year Ending Sept. 30, 2025
Fireworks safety fund	\$	1,249,400
Health professions regulatory fund		26,940,600
Health systems fees		4,139,500
Licensing and regulation fund		11,819,800
Liquor purchase revolving fund		156,100
Marihuana regulatory fund		500,000
Mobile home code fund		2,125,800
Nurse aide and medication aide registration fund		1,657,800
Nurse professional fund		1,967,200
PMECSEMA fund		2,566,800
Property development fees		192,600
Real estate appraiser education fund		65,500
Real estate education fund		601,900
Real estate enforcement fund		754,400
Refined petroleum fund		2,656,200
Securities fees		5,342,000
Securities investor education and training fund		500,300
Security business fund		239,900
Survey and remonumentation fund		903,400
State general fund/general purpose	\$	32,624,400

Sec. 106. CANNABIS REGULATORY AGENCY

Full-time equated classified positions	182.0	
Cannabis regulatory agency—FTEs	182.0\$	33,649,200
GROSS APPROPRIATION	\$	33,649,200

Appropriated from:

Special revenue funds:

Industrial hemp licensing and registration fund		295,900
Marihuana registry fund		3,233,300
Marihuana regulation fund		21,973,600
Marihuana regulatory fund		8,146,400

State general fund/general purpose	\$	0

Sec. 107. MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

Full-time equated classified positions	196.0	
Michigan office of administrative hearings and rules—FTEs	196.0\$	38,627,600
GROSS APPROPRIATION	\$	38,627,600

Appropriated from:

Interdepartmental grant revenues:

IDG revenues - administrative hearings and rules		26,096,000

Special revenue funds:

Construction code fund		27,100
Corporation fees		4,326,500
Health professions regulatory fund		874,600
Health systems fees		165,100
Licensing and regulation fund		914,300
Liquor purchase revolving fund		486,600
Marihuana regulation fund		253,500
Marihuana regulatory fund		98,700
Public utility assessments		2,946,300
Securities fees		1,037,500
Tax tribunal fund		822,100

State general fund/general purpose	\$	579,300

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 108. COMMISSIONS		
Full-time equated classified positions	21.0	
Michigan indigent defense commission—FTEs	21.0\$	3,140,200
Michigan unarmed combat commission		126,200
GROSS APPROPRIATION	\$	3,266,400
Appropriated from:		
Special revenue funds:		
Michigan unarmed combat fund		126,200
State general fund/general purpose	\$	3,140,200
Sec. 109. GRANTS		
Firefighter training grants	\$	2,300,000
Liquor law enforcement grants		9,900,000
Marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		258,345,300
Remonumentation grants		6,800,000
Utility consumer representation		2,100,000
GROSS APPROPRIATION	\$	282,445,300
Appropriated from:		
Special revenue funds:		
Fireworks safety fund		2,300,000
Liquor license revenue		9,900,000
Local indigent defense reimbursement		300,000
Marihuana regulation fund		3,000,000
Survey and remonumentation fund		6,800,000
Utility consumer representation fund		2,100,000
State general fund/general purpose	\$	258,045,300
Sec. 110. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	27,589,700
GROSS APPROPRIATION	\$	27,589,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG revenues - administrative hearings and rules		1,436,800
Federal revenues:		
DOT, gas pipeline safety		152,600
EPA, underground storage tanks		99,900
HHS-Medicaid, certification of health care providers and suppliers		385,100
HHS-Medicare, certification of health care providers and suppliers		641,800
Special revenue funds:		
Aboveground storage tank fees		34,500
Accountancy enforcement fund		1,100
Boiler inspection fund		385,500
Construction code fund		1,321,900
Corporation fees		5,755,700
Elevator fees		503,400
Fire safety standard and enforcement fund		3,000
Fire service fees		538,600
Fireworks safety fund		72,800
Health professions regulatory fund		2,762,700
Health systems fees		364,700
Industrial hemp licensing and registration fund		4,000
Licensing and regulation fund		936,700
Liquor license revenue		234,400
Liquor purchase revolving fund		4,751,800

	For Fiscal Year Ending Sept. 30, 2025	
Marihuana registry fund	\$	192,600
Marihuana regulation fund		1,221,500
Marihuana regulatory fund		548,000
Michigan unarmed combat fund		6,800
Mobile home code fund		204,000
Nurse aide and medication aide registration fund		7,000
PMECSEMA fund		68,500
Public utility assessments		2,018,000
Real estate appraiser education fund		1,000
Real estate education fund		4,300
Refined petroleum fund		235,200
Securities fees		460,600
Securities investor education and training fund		5,600
Survey and remonumentation fund		75,400
Tax tribunal fund		208,500
State general fund/general purpose	\$	1,945,700
Sec. 111. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	1.0	
5-year energy waste reduction and demand response statewide study	\$	1,000,000
Bureau of fire services - smoke detectors		1,000,000
Cannabis regulatory agency social equity program		1,000,000
Health professions implicit bias study		250,000
Juvenile indigent defense grants		1,000,000
Michigan saves		5,000,000
Renewable energy and electrification infrastructure enhancement and development—FTE	1.0	5,000,000
GROSS APPROPRIATION	\$	14,250,000
Appropriated from:		
Special revenue funds:		
Health professions regulatory fund		250,000
Marihuana regulation fund		1,000,000
Public utility assessments		1,000,000
State general fund/general purpose	\$	12,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$590,584,900.00 and state spending from state sources to be paid to local units of government is \$280,345,300.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS		
Firefighter training grants	\$	2,300,000
Liquor law enforcement grants		9,900,000
Marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		258,345,300
Remonumentation grants		6,800,000
TOTAL	\$	280,345,300

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

- Sec. 203. As used in this part and part 1:
- (a) “Department” means the department of licensing and regulatory affairs.
 - (b) “DHS” means the United States Department of Homeland Security.
 - (c) “Director” means the director of the department.

(d) “DOT” means the United States Department of Transportation.

(e) “EPA” means the United States Environmental Protection Agency.

(f) “FOIA” means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(g) “FTE” means full-time equated.

(h) “HHS” means the United States Department of Health and Human Services.

(i) “IDG” means interdepartmental grant.

(j) “MDIFS” means the Michigan department of insurance and financial services.

(k) “PMECSEMA” means pain management education and controlled substances electronic monitoring and antidiversion.

(l) “Standard report recipients” means the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(m) “Subcommittees” means the senate and house appropriations subcommittees with jurisdiction over the budget for the department.

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

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

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$25,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$200,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$100,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 213. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 214. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises 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 geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 215. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the standard report recipients and the senate and house appropriations committees.

Sec. 216. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 217. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, the senate and house appropriations committees, and the joint committee on administrative rules.

Sec. 218. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 219. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 220. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended for the federal pass-through funds. Not later than 14 days after the receipt of federal pass-through funds, the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of pass-through funds appropriated under this section.

Sec. 221. (1) Grants supported with private revenues received by the department are appropriated on receipt and may be expended by the department for the purposes specified within the grant agreement and as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) must not exceed \$4,000,000.00.

Sec. 222. (1) The department may charge registration fees to attendees of informational, training, or special events that are sponsored by the department and related to activities under the department's purview.

(2) The registration fees must reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated on receipt and may be expended by the department to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events carries forward to the subsequent fiscal year and does not lapse to the general fund.

(5) The amount appropriated under subsection (3) must not exceed \$1,000,000.00.

Sec. 223. The department may provide to interested entities otherwise unavailable customized listings of nonconfidential information, such as the names and addresses of licensees, in the department's possession. The department may establish and collect a reasonable fee to provide this service. Revenue generated from this service is appropriated on receipt and must be used to offset the expenses of the service. Any balance of this revenue collected and unexpended at the end of the fiscal year lapses to the appropriate restricted fund.

Sec. 224. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents reverts to the department. In addition to the funds appropriated in part 1, funds received by the department under this subsection may be expended by the department upon receipt by the department of treasury. This subsection applies for only the following:

(a) Corporation and securities division documents, reports, and papers required or permitted by law in accordance with section 1060(6) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Construction code manuals.

(e) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year carry forward to the subsequent fiscal year and do not lapse to the general fund.

Sec. 225. (1) Not later than December 31, the department shall submit a report that pertains to licensing and regulatory programs overseen by the following agencies:

(a) Liquor control commission.

(b) Bureau of fire services.

(c) Corporations, securities, and commercial licensing bureau.

(d) Bureau of professional licensing.

(2) The report under subsection (1) must be in a format that is consistent between the agencies listed in subsection (1) and must provide, but is not limited to, the following information for the previous fiscal year, as applicable, for each agency:

(a) Revenue generated by and expenditures disbursed for each regulatory product.

(b) Revenue generated, by regulatory product or regulated activity.

(c) The renewal cycle and amount of each fee charged.

(d) Number of initial applications.

(e) Number of initial applications denied.

(f) Number of license renewals.

(g) Average amount of time to approve or deny completed applications.

(h) Number of examinations proctored for initial applications.

(i) A description of the types of complaints received.

(j) A description of the process used to resolve complaints.

(k) Number of complaints received.

(l) Number of complaints investigated.

(m) Number of complaints closed with no action.

(n) Number of complaints resulting in administrative actions or citations.

(o) Average amount of time to complete investigations.

(p) Number of enforcement actions, including license revocations, suspensions, and fines.

(q) A description of the types of enforcement actions taken against licensees.

(r) Number of administrative hearing adjudications.

(3) An agency listed in subsection (1)(a) or (b) shall report by regulated activity and an agency listed in subsection (1)(c) or (d) shall report by regulatory product or regulated activity, or both.

(4) As used in this section:

(a) "Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

(b) “Regulatory product” means each occupation, profession, trade, or program, which includes licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity.

Sec. 226. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator’s office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 227. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

PUBLIC SERVICE COMMISSION

Sec. 301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated to the department upon the awarding of grants and may be expended for grant payments and administrative-related expenses incurred in the operation of the grant program.

Sec. 302. (1) From the funds appropriated in part 1, the Michigan public service commission shall conduct at least 4 public hearings in this state. Subject to the requirements of this section, if there is a city in this state with a population between 195,000 and 700,000 according to the most recent federal decennial census, a public hearing required under this section must be conducted in that city.

(2) Not later than September 30, the Michigan public service commission shall submit a report to the standard report recipients that details the outcomes of the 4 public hearings required under this section and summarizes the public comments that were received during the public hearings.

LIQUOR CONTROL COMMISSION

Sec. 401. (1) From the funds appropriated in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall expend the funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. In addition to other investigative methods, the commission shall use shipping records available to the commission under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with the effort to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers. The liquor control commission shall refer all identified unlicensed out-of-state retailers and third-party marketers to the attorney general.

(2) Not later than February 1, the liquor control commission shall provide a report to the legislature and the standard report recipients that details the commission's activities to investigate and audit the illegal shipping of wine and the results of the activities. The report must include all of the following:

(a) Work hours spent, specific actions performed, and the number of full-time equated positions dedicated to identifying and stopping unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(b) General overview of expenditures associated with efforts to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(c) Number of out-of-state entities found to have illegally shipped wine into Michigan and total number of 750 ml bottles, number of cases with 750 ml bottles, number of liters, number of gallons, or weight of illegally shipped wine. These items must be itemized by total number of retailers and total number of wineries.

(d) Suggested areas of focus on how to address direct shipper enforcement and illegal importation in the future.

(3) From the funds appropriated in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into Michigan. The notice must include all of the following statements:

(a) That shipping wine into Michigan by unlicensed out-of-state retailers and third-party marketers is illegal, and wineries shipping into Michigan must obtain a direct shipper license.

(b) That under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

(c) That the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

Sec. 501. The department shall not expend the funds appropriated under this part and part 1 for the bureau of fire services unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees are charged according to the following fee schedule:

<u>Operation and maintenance inspection fee</u>		
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>		
<u>Project cost range</u>	<u>Fee</u>	
\$101,000.00 or less	minimum fee of \$155.00	
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00	
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00	
\$10,000,001.00 or more	\$1.10 per \$1,000.00	
	or a maximum fee of \$60,000.00.	

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees under the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year carry forward to the subsequent fiscal year.

Sec. 503. Not later than February 15, the department shall submit a report to the standard report recipients that provides all of the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if the veteran holds a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the previous fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the previous fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the previous fiscal year and a description of how the actual costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 504. Revenue collected by the department for health systems administration from fees and collections that exceeds the amount appropriated in part 1 may be carried forward into the subsequent fiscal year. The revenue carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

Sec. 505. (1) To defray the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when a project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee of not more than \$800.00 for responding to a second or subsequent confirmed false inspection appointment. Fees collected under this section must be deposited into the restricted account described in section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the statewide integrated governmental management applications system.

(2) Not later than September 30, the department shall submit a report to the standard report recipients that provides all of the following:

(a) The amount of the fee assessed under subsection (1).

(b) The number of fees assessed and issued per region.

(c) The cost allocation for the work performed and reduced as a result of this section.

(d) Any recommendations for consideration by the legislature.

Sec. 506. Not later than November 30, the department shall submit a report to the standard report recipients on the Michigan automated prescription system. The report must include, but is not limited to, the total number of all of the following:

(a) Licensed health professionals registered to the Michigan automated prescription system.

(b) Dispensers registered to the Michigan automated prescription system.

(c) Prescribers using the Michigan automated prescription system.

(d) Dispensers using the Michigan automated prescription system.

(e) Cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action because of information and data generated from the Michigan automated prescription system.

(f) Hospitals, doctor's offices, pharmacies, and other health facilities that have integrated the Michigan automated prescription system into the facility's electronic health records systems.

(g) Delegate users registered to the Michigan automated prescription system.

Sec. 507. (1) From the funds appropriated in part 1 for bureau of construction codes, not less than \$900,000.00 must be allocated for additional inspections and enforcement activities related to the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to 408.670, and the ski area safety act of 1962, 1962 PA 199, MCL 408.321 to 408.344.

(2) Not later than March 30, the department shall submit a report to the standard report recipients that details the allocation of funds under this section. The report must include an itemized listing of how the funds were used.

Sec. 508. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered before August 23, 2010. Subject to available funds, the payment of final judgments must be made in the order in which the final judgments were entered and began accruing interest.

Sec. 509. From the funds appropriated in part 1 for the bureau of fire services, in accordance with the requirements under section 21c of the fire prevention code, 1941 PA 207, MCL 29.21c, the bureau shall perform or work in cooperation with local units of government to perform inspections at places of public assembly that pose the highest risk to occupants for injury or fatality based on the size, density, or the nature of activities performed within the facility.

Sec. 510. From the funds appropriated in part 1 for bureau of survey and certification, the department shall submit a report pertaining to bureau activities, including surveys and investigations of nursing homes, to the standard report recipients not later than March 30.

Sec. 511. From the funds appropriated in part 1, the bureau of construction codes shall submit biannual reports not later than April 1 and September 30 to the standard report recipients that include all of the following information:

(a) A description of the specific changes that the bureau implemented to decrease the average length of time to process premanufactured unit plan submissions.

(b) The average length of time to process a premanufactured unit plan submission in fiscal year 2023-2024.

(c) The average length of time to process a premanufactured unit plan submission in fiscal year 2024-2025.

(d) The total number of premanufactured unit plans submitted in fiscal year 2023-2024.

(e) The total number of premanufactured unit plans submitted in fiscal year 2024-2025.

CANNABIS REGULATORY AGENCY

Sec. 601. Not later than January 31, the department shall submit a comprehensive report to the standard report recipients for all marihuana programs administered by the cannabis regulatory agency. This report must include, but is not limited to, all of the following information for the previous fiscal year regarding the marihuana programs under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

(a) The number of initial applications received, by license category.

(b) The number of initial applications approved and the number of initial applications denied, by license category.

(c) The average amount of time, from receipt to approval or denial, to process an initial application, by license category.

(d) The number of renewal applications approved, by license category and by county.

(e) The number of renewal applications received, by license category and by county, if applicable.

(f) The number of renewal applications denied, by license category and by county.

(g) The average amount of time, from receipt to approval or denial, to process a renewal application, by license category, if applicable.

(h) The percentage of initial applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.

(i) The percentage of renewal applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.

(j) The total amount collected from application fees or established regulatory assessment and the specific fund the amount is deposited into, by license category.

(k) The registered names and addresses of all facilities licensed under each act, by license category and by county.

(l) The number of complaints received pertaining to each act, by license type or regulatory activity.

(m) A description of the types of complaints received.

(n) A description of the process used to resolve complaints.

(o) The number of investigations opened pertaining to each license category.

(p) The number of investigations closed pertaining to each license category.

(q) The average amount of time to complete investigations pertaining to each license category.

(r) The number of enforcement actions pertaining to each license category.

(s) A description of the types of enforcement actions taken against licensees.

(t) The number of administrative-hearing adjudications pertaining to each license type.

(u) A list of the fees charged for license applications, license renewals, and registry cards.

Sec. 602. From the funds appropriated in part 1, the cannabis regulatory agency shall post on a publicly accessible website a list of all of the following:

(a) The number of investigative reports that identify violations of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, or violations of administrative rules promulgated under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

(b) The number of investigative reports that identify suspected marihuana product that does not have the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by law.

(c) The number of complaints filed by the public with the agency that concern either of the following:

(i) Marihuana product that does not have the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by law.

(ii) Unlicensed commercial production or sale of delta-8 THC.

(d) The number and outcome of all agency disciplinary proceedings initiated against any licensee subject to the reports or complaints in subdivisions (a), (b), and (c).

(e) The number of reports the agency referred to the department of state police or other appropriate law enforcement agency.

(f) For any licensee subject to disciplinary proceedings initiated by the agency:

(i) Name of the licensee.

(ii) Description of the allegation.

(iii) Complaint type.

(iv) Process used to resolve the allegation.

(v) Name of the law enforcement agency the allegation was referred to, including the date of the referral.

Sec. 603. Not later than January 31, the department shall submit a comprehensive report to the standard report recipients for all hemp programs administered by the cannabis regulatory agency. The report must include, but is not limited to, all of the following:

(a) The total amount of fees collected by the cannabis regulatory agency from regulatory and licensing activities related to hemp and hemp processor-handlers.

(b) The total cost of administering hemp regulatory and licensing programs.

(c) The total number of hemp processor-handlers and any other hemp licensees licensed in this state, by county.

(d) A list and description of any fees that the cannabis regulatory agency assesses on hemp licensees.

COMMISSIONS

Sec. 801. If Byrne formula grant funding is awarded to the Michigan indigent defense commission created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, the Michigan indigent defense commission may receive and expend Byrne formula grant funds as an interdepartmental grant from the department of state police. The Michigan indigent defense commission may receive and expend federal grant funds from the United States Department of Justice.

Sec. 802. From the funds appropriated in part 1, not later than September 30, the Michigan indigent defense commission shall submit a report to the standard report recipients on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. The Michigan indigent defense commission shall place particular emphasis on the costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 803. Not later than March 1, the Michigan indigent defense commission shall submit a report to the standard report recipients that contains all of the following:

(a) A detailed explanation of the total cost calculation for each indigent defense standard for which grant recipients are receiving state grant funding. The explanation must include a comprehensive itemization of the types of costs included for each standard.

(b) An itemized listing of how much funding each grant recipient is receiving for each indigent defense standard.

(c) An explanation of the specific causal factors associated with any increase or decrease of Michigan indigent defense commission grant funding from the previous fiscal year level.

Sec. 804. From the funds appropriated in part 1, the Michigan indigent defense commission shall notify the standard report recipients not more than 60 days after the adoption of any new indigent defense standard. The notification must include an estimated cost projection to fund the adopted indigent defense standard for the initial and subsequent fiscal years.

GRANTS

Sec. 901. (1) From the funds appropriated in part 1 for marihuana operation and oversight grants, the department shall expend the funds for grants to counties for education and outreach programs that relate to the Michigan medical marihuana program and the adult-use marihuana program, in accordance with section 6(l) of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426, and section 14 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated from application and license fees authorized under section 8(1)(b) of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958. The grants must be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant funds available to each county on the department's website. In addition, the department shall work collaboratively with counties regarding the availability of the grant funds. A county that requests grant funds shall apply on a form developed by the department and available on the department's website. The form must contain the county's specific projected plan for use of the grant funds and its agreement to maintain all records and to submit documentation to the department to support the use of the grant funds.

(3) To be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and submit a report to the department not later than September 15 on how the grant was expended. The department shall submit a report to the standard report recipients not later than October 15 of the subsequent fiscal year that details the grant amounts by recipient and the reported uses of the grants in the previous fiscal year.

Sec. 902. (1) The funds appropriated in part 1 for firefighter training grants must be expended only for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the funds appropriated in part 1 for firefighter training grants are expended by the firefighters training council created under section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, all of the following apply to the extent otherwise permissible by law:

(a) The funds appropriated in part 1 for firefighter training grants must be allocated in accordance with section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the funds allocated to any county under subdivision (a) are less than \$5,000.00, the funds allocated to each county under subdivision (a) must be adjusted to provide for a minimum payment of \$5,000.00 to each county.

(3) Not later than February 1, the department shall submit a financial report to the standard report recipients that identifies all of the following information for the previous fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described in section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighters training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighters training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

ONE-TIME APPROPRIATIONS

Sec. 1001. (1) From the funds appropriated in part 1 for bureau of fire services – smoke detectors, the bureau of fire services shall purchase and distribute sealed-battery smoke detectors to the residents of this state. The bureau of fire services may purchase smoke detectors with additional capabilities for individuals with physical or psychological conditions that require an accommodative technology.

(2) Not later than September 30, the department shall submit a report to the standard report recipients that contains all of the following information:

(a) The number of smoke detectors that the bureau of fire services purchased.

(b) The per-unit price that the bureau paid for the smoke detectors.

(c) An itemized list of all cities, villages, or townships that received smoke detectors and the number of smoke detectors distributed to each city, village, or township.

Sec. 1002. From the funds appropriated in part 1 for the cannabis regulatory agency social equity program, the cannabis regulatory agency shall further develop the program established under section 8(1)(j) of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958, with all of the following goals:

(a) To encourage and increase participation in the social equity program, with particular focus to promote and encourage participation in the marihuana industry by people from communities that have been disproportionately impacted by marihuana prohibition and enforcement.

(b) To establish a minimum number of licensees that are participating in the social equity program.

(c) To consider the area median income of a community in designating communities that have been disproportionately impacted by marihuana prohibition and enforcement.

Sec. 1003. (1) From the funds appropriated in part 1 for juvenile indigent defense grants, the department shall provide grants to the University of Michigan Law School for the purpose of providing financial assistance to unrepresented juvenile defendants, or the legal guardians of juvenile defendants, charged with a felony offense for the sole purpose of securing competent legal counsel for those defendants. For the purposes of evaluation and reporting, the University of Michigan Law School and the Michigan indigent defense commission may share data.

(2) Unexpended funds appropriated in part 1 for juvenile indigent defense grants are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide financial assistance to unrepresented juvenile defendants, or the legal guardians of juvenile defendants, charged with a felony offense for the sole purpose of securing competent legal counsel for those defendants.

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

(c) The total estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date of the project is September 30, 2028.

Sec. 1004. (1) From the funds appropriated in part 1 for Michigan saves, the Michigan public service commission may award a \$5,000,000.00 grant to a nonprofit green bank with experience in leveraging energy-efficiency and renewable energy improvements, for the purpose of making clean energy improvement and on-site wastewater system replacement or repair loans more affordable for Michigan families, small businesses, and microbusinesses. Grant funds may be used to support a loan loss reserve fund or other comparable financial instrument to further leverage private investment in clean energy improvements or on-site wastewater system replacements or repairs.

(2) Not later than March 30, Michigan saves shall submit a report to the department that contains all of the following information related to projects funded by Michigan saves grants from the previous fiscal year:

(a) The number of loans issued.

(b) The type of project that received a loan.

(c) The geographic location of the project.

(3) The department shall transmit the report from Michigan saves to the standard report recipients.

Sec. 1005. (1) From the funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development, except as otherwise provided in subsection (10), funds must be expended only for grants to businesses, nonprofit organizations, and units of local or state government for the purpose of planning, developing, designing, acquiring, or constructing renewable energy and electrification infrastructure projects.

(2) From the total amount of funds for grants awarded under this section for electric vehicle fast-charging infrastructure, to the extent possible, grants should be awarded with a goal of distributing 50% of the total amount for charging ports with 2 connectors that provide charging at a power level of at least 200 kilowatts and 50% of the total amount for charging ports with 2 connectors that deliver charging at a power level of at least 350 kilowatts.

(3) The Michigan public service commission shall develop guidelines for the grant program described in subsection (1) and implement an application process for the grant program not later than 6 months after the effective date of this act and must first prioritize and approve grants that meet the goals of the governor's MI healthy climate plan.

(4) Applicants for a grant under this section must perform an impact study that includes an analysis of potential cost savings, environmental impacts, and local economic benefits of the applicant's proposed renewable energy and electrification infrastructure project. A utility, at its sole discretion, may prepare a single impact study that covers the utility's service territory that accounts for likely proposals, evaluates regional opportunities, and minimizes or eliminates the need for repetitive studies. Sufficient detail must be provided in the study to allow the Michigan public service commission to evaluate each proposed project, including how the proposed project will align with the governor's MI healthy climate plan.

(5) An applicant that applies for a grant to be used to develop RNG infrastructure shall include all of the following information in the applicant's application:

(a) The project details, including the location of biogas and the proposed interconnection.

(b) The cost estimates for the interconnection, metering, and gas conditioning equipment needed to connect to an existing pipeline system.

(c) A summary of the environmental and health impacts of the project, including the forecasted emission reductions.

(d) Any local economic impact from the RNG infrastructure development.

(e) The end-use application for the RNG infrastructure with a focus on projects being used for opportunities in this state.

(6) After receipt of an application under this section, the Michigan public service commission shall allow local units of government, environmental groups, and business interests directly affected by the proposal 45 days to review the application and provide comments. The Michigan public service commission shall allow the applicant not less than 15 days after the comments have been received from interested parties, at the applicant's discretion, to modify or maintain the applicant's initial proposal.

(7) The Michigan public service commission shall review all proposals and award grants to applicants it determines have met the criteria in this section. All grants must include full and timely cost recovery from the fund for the infrastructure requirements of the affected utility made necessary by the grant. All grants must be awarded on a competitive basis with priority given to applicants in a distressed area. As used in this section, "distressed area" means any of the following:

(a) An area in a city, village, or township that has been designated as blighted.

(b) A city, village, or township with a poverty rate and unemployment rate greater than the statewide average.

(c) An area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

(d) An area facing a disproportionate environmental burden, using the department of environment, Great Lakes, and energy's MiEJScreen or EPA's EJSCREEN.

(8) Not later than 30 days after the completion of the relevant project, grant recipients under this section shall submit a report to the Michigan public service commission that details how the grant money was used.

(9) The funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development must not be used to expand the use of conventional natural gas.

(10) From the funds appropriated in part 1 for renewable energy and electrification infrastructure enhancement and development, the Michigan public service commission shall not use more than \$125,000.00, upon awarding of the grants, for administrative-related expenses incurred by the commission for the operation of the grant program. Funds supporting the grant program are appropriated in the Michigan public service commission upon awarding of the grants.

(11) As used in this section:

(a) "Renewable energy and electrification infrastructure projects" includes, but is not limited to, renewable natural gas facilities and electric vehicle fast-charging infrastructure upgrades on publicly owned land within 1/2 mile of a United States highway or state trunkline roadway.

(b) "Renewable natural gas" or "RNG" means methane derived from organic material and degradable carbon sources, including, but not limited to, carbon sources and materials sourced from municipal solid waste, seepage feedstock, plant materials, or food waste.

ARTICLE 11
DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of lifelong education, advancement, and potential for the fiscal year ending September 30, 2025 from the following funds:

**DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT,
AND POTENTIAL**

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated exempted positions	337.0	
GROSS APPROPRIATION	\$	643,994,200
ADJUSTED GROSS APPROPRIATION	\$	643,994,200
Federal revenues:		
Total federal revenues		505,391,000
Total private revenues		250,000
Total other state restricted revenues		1,863,900
State general fund/general purpose	\$	136,489,300

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	30.0	
Unclassified salaries—FTEs	6.0\$	999,500
Executive direction and operations—FTEs	30.0	7,531,200
Property management		254,500
GROSS APPROPRIATION	\$	8,785,200
Appropriated from:		
Federal revenues:		
Total federal revenues		1,004,500
State general fund/general purpose	\$	7,780,700

Sec. 103. INFORMATION TECHNOLOGY

Information technology services and projects	\$	998,800
GROSS APPROPRIATION	\$	998,800
Appropriated from:		
Federal revenues:		
Total federal revenues		222,500
State general fund/general purpose	\$	776,300

Sec. 104. OFFICE OF EARLY CHILDHOOD EDUCATION

Full-time equated classified positions	244.0	
Child care licensing and regulation—FTEs	172.0\$	29,626,300
Child development and care contracted services		22,900,000
Child development and care external support		11,028,100
Child development and care public assistance		499,035,800
Head start collaboration office—FTE	1.0	425,100
Office of great start operations—FTEs	71.0	17,824,500
Tri-share child care program		3,400,000
GROSS APPROPRIATION	\$	584,239,800
Appropriated from:		
Federal revenues:		
Federal funds		504,164,000
Total federal revenues		504,164,000
Special revenue funds:		
Private foundations		250,000
Certification fees		64,600
Child care home and center licenses fund		501,700
State general fund/general purpose	\$	79,259,500

		For Fiscal Year Ending Sept. 30, 2025
Sec. 105. OFFICE OF EDUCATION PARTNERSHIPS		
Full-time equated classified positions	15.0	
Before- and after-school administration—FTEs	2.0\$	366,500
Camp licensing unit—FTEs	7.0	700,300
Family and community engagement—FTEs	6.0	1,062,500
GROSS APPROPRIATION	\$	2,129,300
Appropriated from:		
Adult foster care facilities licenses fund		42,900
State general fund/general purpose	\$	2,086,400
Sec. 106. OFFICE OF HIGHER EDUCATION		
Full-time equated classified positions	46.0	
Dual enrollment payments	\$	3,500,000
Michigan Indian tuition waiver—FTE	1.0	157,000
Student financial assistance programs—FTEs	45.0	9,184,100
GROSS APPROPRIATION	\$	12,841,100
Appropriated from:		
Special revenue funds:		
Michigan merit award trust fund		1,254,700
State general fund/general purpose	\$	11,586,400
Sec. 107. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	2.0	
Adult education outreach project	\$	1,000,000
After-school programming extension		300,000
Child care program stabilization grants		24,000,000
Foster care supports		500,000
Hunger-free campus grant pilot program		500,000
Michigan center for adult college success		1,833,400
One-time administration supports—FTE	2.0	1,200,000
Postsecondary enrollment		166,600
Wonderschool		5,000,000
Youth mentorship		500,000
GROSS APPROPRIATION	\$	35,000,000
Appropriated from:		
State general fund/general purpose	\$	35,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$138,353,200.00 and state spending under part 1 from state sources to be paid to local units of government is \$500,000.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL		
Hunger-free campus grant program	\$	250,000
After-school programming extension		250,000
TOTAL	\$	500,000

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

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

- (a) “Department” means the department of lifelong education, advancement, and potential.
- (b) “DHHS” means the Michigan department of health and human services.
- (c) “Director” means the director of the department.

(d) “FTE” means full-time equated.

(e) “IDG” means interdepartmental grant.

(f) “Standard report recipients” means the full senate appropriations committee, the house appropriations subcommittee on labor, economic development, and lifelong learning, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

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

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

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (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 authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$500,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$350,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 213. (1) Except as otherwise provided in this part, all reports required under this part shall be submitted to the standard report recipients.

(2) For each report listed on the department's website, the department shall provide a reference to each statutory or appropriations bill section and, if applicable, subsection where that report is required.

(3) In addition to the reporting requirements in section 204 and this section, the department shall compile, post, and maintain all required reports on an easily accessible page of the department's website.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically-disadvantaged business enterprises" means that term as defined in Executive Directive No. 2019-08.

Sec. 216. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 222. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 224. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall

follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

OFFICE OF EDUCATION PARTNERSHIPS

Sec. 401. From the funds appropriated in part 1 for family and community engagement, the department shall, at a minimum, do all of the following:

(a) Establish or partner with family engagement centers across this state to increase parent and guardian involvement in their child's education.

(b) Ensure translation and interpretation services are available and implemented pursuant to department guidance.

(c) Partner with intermediate school districts to assist in getting information and resources to their constituent districts.

(d) Develop an early literacy engagement plan to help parents or guardians become involved in their child's education.

OFFICE OF HIGHER EDUCATION

Sec. 701. (1) From the funds appropriated in part 1, in addition to other statutorily required duties, the department shall do all of the following:

(a) Review and evaluate all state financial aid programs. The department shall prioritize improving postsecondary educational outcomes, including student completion rates, and improving affordability of postsecondary programs in this state.

(b) Serve as the coordinating office for all agencies of the executive branch of government that are responsible for financial aid programs administered by this state.

(c) Survey stakeholders, including public, tribal, and private not-for-profit colleges and universities, state departments and agencies, and statewide postsecondary education associations on student financial aid policy to improve this state's administration of programs.

(d) Collaborate with the center for educational performance and information and individual colleges and universities to ensure streamlined and coordinated collection of data analyzing the following:

- (i) Postsecondary education costs, including a comparison to national and regional averages.
- (ii) Student enrollment.
- (iii) Degree completion.

(e) Provide access to higher education institutional data inventory on an accessible, public facing dashboard to assist students, prospective students, and their families in making decisions on postsecondary education.

(f) Coordinate with other state agencies and school districts to increase utilization and awareness of postsecondary opportunities, including, but not limited to, early and middle college, dual enrollment, and private skills training scholarships.

(g) Promote, track, and provide resources to increase completion of the free application for federal student aid.

(2) From the funds appropriated in part 1, the department shall meet, at a minimum, the following transparency requirements:

(a) Collect data necessary to complete all statutory reporting requirements. The department shall notify the chairs of the house and senate appropriations committees within 10 days if an entity receiving funds from part 1 fails to comply with data collection requirements.

(b) Maintain a link on the department's website to find data submitted by postsecondary institutions through higher education institutional data inventory.

(c) Maintain a link on the department's website to the center for educational performance and information's MI School Data page on postsecondary enrollment and completion tracking.

(3) As used in this section, "center for educational performance and information" means the center for educational performance and information created in section 94a of the state school aid act of 1979, 1979 PA 94, MCL 388.1694a.

Sec. 705. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department.

OFFICE OF EARLY CHILDHOOD EDUCATION

Sec. 1002. (1) From the funds appropriated in part 1, the department shall ensure that the final child development and care provider reimbursement rates are published on the department and Great Start to Quality webpages.

(2) In addition to the funds appropriated in part 1, upon receiving approval from the state budget director, the department may receive and expend federal child care development block grant funds at risk of being lapsed back to the federal government. The department may do this only if all of the following criteria are met:

(a) The funds are at risk of being lapsed by the end of the current fiscal year.

(b) The department plans to expend the funds through a 1-time rate increase to providers.

(c) The department makes this request to the state budget director not less than 30 days before the expenditure of the funds.

(3) If the average cases over a 3-month period in the child development and care program result in the projected fiscal year 2024-2025 caseloads falling below the caseload agreement from the May 2024 consensus revenue estimating conference, the department may increase the hourly reimbursement rate to child care providers if the following conditions are met:

(a) The level of expenditures for the remainder of the year is estimated to be significantly below the level estimated from the May 2024 consensus revenue estimating conference.

(b) The department plans to expend the funds through an ongoing rate increase to providers for the remainder of the fiscal year.

(c) The department makes this request to the state budget director not less than 30 days before the expenditure of the funds that includes the rate increase.

(4) Upon receiving approval from the state budget director under subsection (2) or (3), the department must notify the senate and house fiscal agencies of the amount being appropriated, the estimated rate increase to providers, and if the rate increase to providers is 1-time or ongoing in nature.

(5) The department may withdraw the intent to expend the funds under subsections (2) or (3) by notifying the state budget director in writing.

(6) From the funds appropriated in part 1 for child development and care public assistance, the provider reimbursement rates for child care centers, group home providers, registered family homes, and license exempt providers are increased by 15% from the provider reimbursement rates established in the child development and care handbook for fiscal year 2023-2024, rounded to the nearest \$0.05.

(7) Provider reimbursement rate increases funded under this section are effective the first full biweekly pay period of the fiscal year.

Sec. 1007. (1) From the funds appropriated in part 1 for child development and care – external support, child development and care contracted services, and child care licensing and regulation, the department shall create a joint report that includes, but is not limited to, the following:

(a) The affordability of child care in this state, including, but not limited to, the number of children eligible for and participating in the child development and care program, the number of children eligible for and participating in the child development and care program for the last 5 years, and key takeaways from the most recent market rate survey.

(b) The availability of child care in this state by county, including, but not limited to, the number of licensed child care providers, the change in the number of licensed child care providers and slots over time, and the estimated demand for care.

(c) The health and safety of child care, including, but not limited to, the 10 most common rule violations, the number of licenses revoked and summarily suspended, and the number of license violations for incomplete health and safety training and safe sleep training.

(d) Any actions taken to strengthen health and safety of care, including, but not limited to, the number of licensing consultants, their average caseload, the number of on-site visits they complete by provider type and region, the types of activities that are intended to improve health and safety in licensed care, and the number of times those activities are performed by licensing consultants.

(e) Information on the child care licensing process, including, but not limited to, all of the following:

(i) The number of initial applications, initial applications denied, license renewals, and licenses allowed to expire, aggregated by license type.

(ii) The average amount of time to approve or deny completed applications and a description of the most common reasons applications are denied.

(iii) A description of the types of complaints received, a description of the process used to resolve complaints, the average amount of time to complete investigations, and the percentage of investigations completed on time.

(iv) The number of complaints received, investigated, determined to be unsubstantiated, and that result in disciplinary action or rule violations.

(v) The number of administrative hearing adjudications.

(f) The quality of child care, including, but not limited to, the number of licensed providers participating in the Great Start to Quality program and the workforce registry, the number of new participants and how participation has changed over the last 5 years, and the number of children participating in the child development and care program enrolled in an enhancing quality level or higher program.

(g) Any actions taken to improve child care quality, including, but not limited to, the number of quality consultants, the average caseload, the number of on-site visits completed by region, the types of activities that are intended to improve quality and the number of times those activities are performed, and the number of providers that have improved the provider's quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each region.

(h) The child care workforce, including, but not limited to, the number of child care professionals, average wages by role, the number of individuals participating in the TEACH scholarship and earning a credential, and the level of demand for staff.

(i) Total funding appropriated to contracts for the early childhood comprehensive systems planning by the state during the previous fiscal year that includes, but is not limited to, the following:

(i) The amount of funding for each grant awarded.

(ii) The grant recipients.

(iii) The activities funded by each grant.

(iv) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) The department must post the joint report on the department website and send the joint report to the state budget director, the house and senate subcommittees that oversee the department budget, and the house and senate fiscal agencies by April 1 of the current fiscal year reflecting data for the previous fiscal year.

Sec. 1008. From the funds appropriated in part 1 for office of early childhood education, the department shall ensure efficient service provision to coordinate services provided to families for home visits, reduce duplication of state services and spending, increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

Sec. 1009. From the funds appropriated in part 1 for child development and care public assistance, the income entrance eligibility threshold for the child development and care program is set to not more than 200% of the federal poverty guidelines.

Sec. 1011. From the funds appropriated in part 1 for child development and care public assistance, for eligible children in the child development and care program, the department shall implement payments to providers based on enrollment rather than based on attendance. This shall be done in a manner determined by the department.

Sec. 1012. From the funds appropriated in part 1, \$3,000,000.00 shall be for the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Sec. 1030. (1) The funds appropriated in part 1 for the tri-share child care program must be awarded for the continuation of the child care facilitator pilot project originally initiated and funded in section 1047(31) of article 5 of 2020 PA 166.

(2) Except as otherwise provided in this subsection, funding appropriated in part 1 must be used to fund existing child care facilitator hubs. The department may fund new child care facilitator hubs provided sufficient funding exists to support all existing child care facilitator hubs, including child care facilitator hubs currently funded with private dollars. Any new child care facilitator hubs added must increase the number of participating counties or serve statewide employers.

(3) Any child care facilitator receiving funds under this section must be a nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

ONE-TIME APPROPRIATIONS

Sec. 1101. (1) From the funds appropriated in part 1 for the adult education outreach project, the department shall create, and distribute grants through, an adult learners program that includes at least 1 pilot program and a statewide feasibility study in conjunction and coordination with the Goodwill Association of Michigan. The pilot program shall be designed to provide all of the following:

(a) Individualized, flexible, and accelerated high school completion for the attainment of a high school diploma.

(b) On-site child care.

(c) Career certifications and credentials.

(d) Individualized wrap-around supports for students, as necessary.

(e) Public-private partnerships, as available, to ensure success.

(2) Any unexpended funds appropriated in part 1 for the adult education outreach project are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures to sustain the project until the expiration date of this work project as stated in subsection (d). The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to deliver adult education programming across multiple regions of this state for the duration of the work project.

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

(c) The estimated cost of the project is \$1,000,000.00.

(d) The completion date of the project is September 30, 2028.

Sec. 1102. (1) From the funds appropriated in part 1 for after-school programming extension, the department shall allocate \$300,000.00 to Michigan Alianza Latina para Mejoramiento y Avance (MI-ALMA) and the Exito Educativo program, an after-school program that brings Latino parents and their children who are in high school together to learn about the requirements for high school graduation, the different sources of support, and the pathways to college.

(2) Any unexpended funds appropriated in part 1 for after-school programming extension are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures to sustain a program that lowers postsecondary access barriers for disadvantaged youth until the expiration date of this work project as stated in subsection (d). The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to lower barriers to postsecondary education for disadvantaged youth for the duration of the work project.

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

(c) The estimated cost of the project is \$300,000.00.

(d) The completion date of the project is September 30, 2028.

Sec. 1103. From the funds appropriated in part 1, the Michigan Center for Adult College Success shall continue to improve adult postsecondary enrollment and completion under the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709.

Sec. 1104. (1) From the funds appropriated in part 1 for child care program stabilization grants, an amount not to exceed \$24,000,000.00 shall be used for additional supports to licensed child care providers in this state who serve children in the child development and care program. The funding must be distributed to eligible providers in a form and manner determined by the department, but must take into consideration all of the following:

- (a) The age of the children served by the provider.
- (b) The quality rating of the provider.
- (c) The length of time the children are in care with the provider.

(2) The department shall provide technical assistance to providers on the recommended uses of the funding described in subsection (1). Funding must be distributed to providers no later than January 1, 2025.

Sec. 1105. (1) From the funds appropriated in part 1 for one-time administration supports, the department may expend up to \$1,200,000.00 and hire an additional 2.0 FTE positions for the duration of the work project to do the following:

(a) One FTE shall support the administration of the department's Michigan transfer network to do both of the following:

- (i) Ensure participating institutions provide timely and accurate information.
- (ii) Promote the equitable transferability of associate degrees to bachelor's degree institutions in the same study or program and advance solutions to improve transferability between postsecondary institutions in this state.

(b) One FTE shall serve in the office of higher education in the position of financial resource navigator and shall work in tandem with the student loan ombudsman in the department of treasury's office of the taxpayer advocate. The financial resource navigator will serve as a resource for members of the public seeking information about the free application for federal student aid completion, state-administered scholarships, and student loan options.

(2) Any unexpended funds appropriated in part 1 for 1-time administration supports are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures until the expiration date of this work project as stated in subdivision (d). The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide administrative support for the duration of the work project.
- (b) The project will be accomplished by utilizing state employees.
- (c) The estimated cost of the project is \$1,200,000.00.
- (d) The completion date of the project is September 30, 2027.

Sec. 1106. (1) From the funds appropriated in part 1 for the hunger-free campus grant pilot program, the department shall award \$125,000.00 to each public institution of higher education.

(2) The purposes of the hunger-free campus grant pilot program include all of the following:

- (a) Addressing student hunger at each public institution of higher education.
- (b) Leveraging sustainable solutions to address basic needs on the campuses of each public institution of higher education.
- (c) Raising awareness of basic needs services offered on the campuses of each public institution of higher education.
- (d) Building strategic partnerships at the local, state, and national levels to address food insecurity among students attending each public institution of higher education.

(3) A public institution of higher education awarded funding under the hunger-free campus grant pilot program shall do all of the following:

- (a) Establish a hunger task force that includes representatives from the student body and that meets at least 3 times per academic year to set at least 2 goals with action plans.
- (b) Designate a staff member responsible for informing students about enrollment opportunities in this state's supplemental nutrition assistance program.

(c) Provide at least 1 physical food pantry on campus or enable students to receive food through a separate, stigma-free arrangement. A public institution of higher education may partner with a local food bank or food pantry to meet the requirement of this subdivision.

(d) Develop a student meal credit donation program or designate a certain amount of funds for free food vouchers that might otherwise be raised through such a program. A public institution of higher education may develop its own procedures for a student meal credit donation program.

(4) It is the intent of the legislature that public institutions of higher education that receive funding in this section shall report to the department, in a form and manner prescribed by the department, by November 1, 2025 on the specific uses of the funding received under this section, the extent to which this funding accomplished the goals described in subsection (2), and any best practices that may be applicable to other public institutions of higher education in this state. It is the intent of the legislature that the department shall compile the reports received under this subsection and send a compiled report to the standard report recipients.

(5) As used in this section, “public institution of higher education” means Michigan State University, Northern Michigan University, Macomb Community College, and Grand Rapids Community College.

Sec. 1107. (1) From the funds appropriated in part 1 for Wonderschool, \$5,000,000.00 shall be used for a program that provides quality support to providers in this state who seek to adopt business practices that best serve families in this state.

(2) An eligible recipient of funds under this section must partner with the department and stakeholders to increase the supply of child care family homes, group homes, and centers by recruiting and coaching prospective providers through the initial business planning and implementation process and develop and execute a 2-year mentorship program for new child care family homes, group homes, and centers.

(3) In order to be eligible for funding under this section, the recipient must agree to do all of the following:

(a) Partner with the department to plan, staff, and execute in-person and virtual recruitment events for new child care providers in areas of need and develop information materials that assist child care family homes, group homes, and centers with marketing, advertising, and parental outreach.

(b) Provide a software platform, including customizable dashboards, to assist child care family homes, group homes, and centers with marketing, enrollment, family communication, billing, and expense reporting.

(c) Offer child care family homes, group homes, and centers coaching and training, including in-person group training sessions, on-site coaching visits, community forums, and events.

(4) As a condition of receiving funds appropriated in part 1, recipients must report to the department all necessary information to meet state and federal reporting requirements in law and regulations. This information must be reported in a form and manner determined by the department.

Sec. 1108. From the funds appropriated in part 1 for foster care supports, the department shall allocate \$500,000.00 to a nonprofit organization focused on postsecondary access and success for youth with experience in foster care and homelessness, and that oversees a statewide initiative to build a formal network of supports to increase postsecondary outcomes for at-risk youth. The purpose of the grant is to provide increased college access and success for youth with experience in foster care in this state by providing a formal infrastructure in this state to support the holistic pipeline of educational support for state-involved youth.

Sec. 1109. From the funds appropriated in part 1 for postsecondary enrollment, the department shall allocate \$166,600.00 to an education company with established partnerships with Michigan colleges and universities to deliver re-enrollment initiatives for Michigan citizens with some college and no degree for the purpose of re-engaging adult learners to increase the number of Michigan adults completing postsecondary degrees or credentials in this state.

Sec. 1110. From the funds appropriated in part 1 for youth mentorship, the department shall allocate \$500,000.00 to a youth mentorship nonprofit organization that works with a public school system in a city with a population between 107,000 and 108,000 located in a county with a population between 284,000 and 285,000 for the purpose of providing mentorship and helping students in grades 6 through 12 develop strategies for success in the students’ lives, schools, and communities.

ARTICLE 12

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2025 from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	1,051.0	
GROSS APPROPRIATION	\$	275,904,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		101,800
ADJUSTED GROSS APPROPRIATION	\$	275,802,300
Federal revenues:		
Total federal revenues		144,786,800
Special revenue funds:		
Total local revenues		0
Total private revenues		100,000
Total other state restricted revenues		13,221,400
State general fund/general purpose	\$	117,694,100

	For Fiscal Year Ending Sept. 30, 2025	
Sec. 102. MILITARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	418.5	
Unclassified salaries—FTEs	9.0\$	1,823,400
Headquarters and armories—FTEs	103.0	22,533,800
Michigan youth challenge academy—FTEs	68.0	10,340,500
Military family relief fund		150,000
Military retirement		2,770,600
Military training sites and support facilities—FTEs	244.0	45,928,900
National Guard operations		600,500
National Guard tuition assistance fund—FTEs	3.5	11,239,500
Starbase grant		2,322,000
GROSS APPROPRIATION	\$	97,709,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG - state police		101,800
Federal revenues:		
DOD - DOA - NGB		63,690,100
Federal counternarcotics revenues		100,000
Special revenue funds:		
Private donations		90,000
Billeting fund		1,378,200
Military family relief fund		150,000
Morale, welfare, and recreation fund		100,000
National Guard facilities rental fund		187,500
National Guard test projects fund		100,000
State general fund/general purpose	\$	31,811,600
Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
Full-time equated classified positions	61.0	
County veteran service grants—FTEs	2.0\$	4,253,300
Michigan veterans affairs agency administration—FTEs	49.0	10,150,600
Veterans service grants—FTEs	2.0	4,253,300
Veterans trust fund administration—FTEs	8.0	1,175,300
Veterans trust fund grants		2,500,000
GROSS APPROPRIATION	\$	22,332,500
Appropriated from:		
USDVA - VHA		750,000
Special revenue funds:		
Private donations		10,000
Michigan veterans trust fund		3,675,300
Veterans license plate fund		50,000
State general fund/general purpose	\$	17,847,200
Sec. 104. MICHIGAN VETERANS' FACILITY AUTHORITY		
Full-time equated classified positions	571.5	
Chesterfield Township home for veterans—FTEs	115.0\$	32,511,400
D.J. Jacobetti home for veterans—FTEs	200.0	25,927,700
Grand Rapids home for veterans—FTEs	238.0	38,827,500
Information technology services and projects		1,734,300
Michigan veteran homes administration—FTEs	18.0	4,622,600
Veterans cemetery—FTE	0.5	90,200
GROSS APPROPRIATION	\$	103,713,700

	For Fiscal Year Ending Sept. 30, 2025
Appropriated from:	
Federal revenues:	
USDVA - VHA	\$ 39,864,200
HHS-HCFA, Medicare, hospital insurance	1,754,700
HHS-HCFA, title XIX, Medicaid	8,469,900
Special revenue funds:	
Income and assessments	6,580,400
State general fund/general purpose	\$ 47,044,500
Sec. 105. CAPITAL OUTLAY	
Armory maintenance	\$ 1,000,000
Land and acquisitions	1,000,000
Special maintenance - National Guard	30,000,000
Special maintenance - veterans' facilities	500,000
GROSS APPROPRIATION	\$ 32,500,000
Appropriated from:	
Federal revenues:	
DOD - DOA - NGB	30,000,000
Special revenue funds:	
Michigan National Guard construction fund	1,000,000
State general fund/general purpose	\$ 1,500,000
Sec. 106. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 648,700
GROSS APPROPRIATION	\$ 648,700
Appropriated from:	
Federal revenues:	
DOD - DOA - NGB	157,900
State general fund/general purpose	\$ 490,800
Sec. 107. ONE-TIME APPROPRIATIONS	
Eliminating veteran homelessness grants	\$ 2,500,000
Selfridge Air National Guard base	15,000,000
Veterans of foreign wars national home	1,500,000
GROSS APPROPRIATION	\$ 19,000,000
Appropriated from:	
State general fund/general purpose	\$ 19,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$130,915,500.00 and state spending under part 1 from state sources to be paid to local units of government is \$4,174,700.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
County veteran service grants	\$ 4,038,200
Michigan veterans affairs agency administration	90,000
Military training sites and support facilities	46,500
TOTAL	\$ 4,174,700

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

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

(a) “CMS” means the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

(b) “Department” means the department of military and veterans affairs.

(c) “DHHS” means the department of health and human services.

(d) “Director” means the director of the department.

(e) “FTE” means full-time equated.

(f) “IDG” means interdepartmental grant.

(g) “MVAA” means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013-2, MCL 32.92.

(h) “MVFA” means the Michigan veterans’ facility authority created under section 3 of the Michigan veterans’ facility authority act, 2016 PA 560, MCL 36.103.

(i) “MVH” means the Michigan veteran homes as that term is defined in the Michigan veterans’ facility authority act, 2016 PA 560, MCL 36.102.

(j) “MYCA” means the Michigan youth challenge academy.

(k) “Standard report recipients” means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(l) “USDVA” means the United States Department of Veterans Affairs.

(m) “USDVA-VHA” means the USDVA Veterans Health Administration.

(n) “VSO” means veterans service organization.

(o) “Veterans’ facility” means that term as defined in section 2 of the Michigan veterans’ facility authority act, 2016 PA 560, MCL 36.102.

(p) “Work project” means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients by email and posting the reports on an internet site.

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

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department or a state agency for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department or agency is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$8,600,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$1,100,000.00 for state restricted contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$250,000.00 for local contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 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 \$100,000.00 for private contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically-disadvantaged business enterprises" means that term as defined by Executive Directive No. 2023-1.

Sec. 216. On a quarterly basis, the department shall submit to the senate and house appropriations committees and to the standard report recipients a report that includes all of the following information:

(a) The number of FTE positions by pay status and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 222. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 223. Funds appropriated in part 1 for capital outlay must be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 224. If the department intends to sell any department real property, the department shall submit notification of that intent to the standard report recipients 60 days before the public announcement of that intention.

Sec. 225. The department shall provide biannual reports that include the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item, including a year-end projection of budget requirements.

(c) The number of active employees at the close of the reporting period by job classification and departmental branch of service.

Sec. 229. Not later than January 1, the department shall submit an updated departmental strategic plan to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies.

Sec. 230. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

MILITARY

Sec. 301. (1) Not later than September 30, the department shall report a list of the current unclassified positions, which shall include the official titles and responsibilities of each position.

(2) Upon the department being granted a request for an additional unclassified employee position from the civil service commission, or for any substantive changes to the duties of an existing unclassified employee position, the department shall report on these changes within 15 days.

Sec. 302. (1) The department shall operate and maintain National Guard armories and implement a system to measure the condition and adequacy of those armories.

(2) Not later than December 1, the department shall evaluate armories and submit an annual report on the status of the armories that includes the following information:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

(f) A review of the status of construction activities and expenditures of the armory modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of 2022 PA 194.

Sec. 303. (1) The department shall maintain the MYCA to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the MYCA from economically-disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the DHHS to identify youth who may be eligible for MYCA from those youth served by DHHS services programs. The department shall give these eligible youth priority for enrollment.

(4) The department shall maintain the MYCA to graduate at least the target number of graduates consistent with the state's cooperative agreement with the National Guard Bureau regarding program operations.

(5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.

(6) Any unexpended and unencumbered private donations to support the MYCA at the close of this fiscal year do not lapse to the general fund and must be carried forward to the subsequent fiscal year.

Sec. 304. (1) By December 15, the department shall provide a report on the revenues, expenditures, and fund balance of the military family relief fund. The department shall itemize expenditures in the report by purpose, including, but not limited to, for advertising and assistance grants. The report must also include information on the number of applications for assistance received, approved, and denied.

(2) From the funds appropriated in part 1, the department shall provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty on the availability of assistance through the military family relief fund.

(3) As used in this section, "military family relief fund" means the military relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213.

Sec. 305. (1) The department shall do all of the following:

(a) Provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(b) Operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(c) Maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(d) Operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(2) Not later than March 1, the department shall report the following information for the previous calendar year:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. (1) The billeting fund is created within the state treasury.

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

(3) All of the fees and other revenues generated from the operation of the chargeable transient quarters program must be deposited in the fund.

(4) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

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

(6) The department shall expend money from the fund to support program operations and the maintenance and operations of the chargeable transient quarters program as appropriated in part 1.

(7) Not later than December 15, the department shall submit an annual report of operations and expenditures regarding the fund for the previous fiscal year.

Sec. 307. (1) The department shall maintain a Michigan National Guard tuition assistance program under the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.431 to 32.433. The Michigan National Guard tuition assistance program must do all of the following:

(a) Bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard members.

(b) Fill federally authorized strength levels for the state.

(c) Improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state.

(d) Enhance the ability of the Michigan Army and Air National Guard to compete for guard members and federal dollars with surrounding states.

(e) Increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

(2) The department shall make efforts to increase the number of National Guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

(3) Not later than March 1, the department shall provide a report on the Michigan National Guard tuition assistance program. The report must include the following information for the previous fiscal year:

(a) The number of guard members, spouses, and children receiving tuition assistance, broken down by the number of each type of recipient.

(b) The educational institutions from which those guard members received education or training under the program, broken down by the number of each type of recipient.

(c) The total amount of financial assistance received by each educational institution.

(d) The total funds expended on the program for financial assistance for each type of recipient.

(e) The total funds expended on the program for administrative costs of the department.

(f) The total number of applications for tuition assistance denied.

(g) A list of any educational institutions and training programs removed from eligibility and the rationale for that removal.

(h) The balance of the Michigan National Guard tuition assistance fund at the close of the fiscal year.

(i) An explanation of any identified barriers to the successful utilization of the program, or other unmet needs of the program and applicable proposals for legislative action to address those barriers and needs.

(4) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund must be deposited into the restricted Michigan National Guard tuition assistance fund. All funds in the restricted Michigan National Guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

(5) As used in this section, "Michigan National Guard tuition assistance fund" means the Michigan National Guard tuition assistance fund created in section 4 of the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.434.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

Sec. 309. (1) The National Guard test projects fund is created within the state treasury.

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

(3) All of the fees and other revenues generated from the operation of the test projects program shall be deposited in the fund.

(4) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

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

(6) Money in the fund shall be available for expenditure for the support of program operations as appropriated in part 1.

Sec. 310. (1) The morale, welfare, and recreation fund is created within the state treasury.

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

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

(4) All of the fees and other revenues generated from the operation of the morale, welfare, and recreation program must be deposited in the morale, welfare, and recreation fund. Money in the fund is available for expenditure for the support of program operations as appropriated in part 1.

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

Sec. 311. (1) The National Guard facilities rental fund is created in the state treasury.

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

(3) All of the fees and other revenues generated from the operation of the National Guard facilities rental program must be deposited in the fund.

(4) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

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

(6) Money in the fund is available for expenditure for the support of program operations as appropriated in part 1.

Sec. 312. Not later than February 1, the department shall provide the report required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

Sec. 313. The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 404. (1) Money privately donated to the department for the MVAA in excess of the appropriation in part 1 is appropriated and available for expenditure for the benefit and life enrichment of veterans and for the purpose designated by the private source, if specified and in compliance with this section.

(2) Any unexpended and unencumbered private donations to support the MVAA at the close of this fiscal year do not lapse to the general fund and must be carried forward to the subsequent fiscal year.

(3) Not later than January 1, the department must submit a report that provides the amount of private donations received by the department for the MVAA and the purpose for which the funds will be expended, if known. In addition to the annual report required under this subsection, if a donation described under this section is \$10,000.00 or greater, the department must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds will be expended, if known.

Sec. 405. (1) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan Administrative Code.

(d) R 35.621 to R 35.623 of the Michigan Administrative Code.

(2) Not later than January 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the previous fiscal year, the following information:

(a) Detailed concerning the methodology of allocations and the selection of emergency grant program authorized agents.

(b) A description of how the emergency grant program is administered in each county.

(c) A detailed breakdown of the Michigan veterans' trust fund expenditures for the emergency grant program, including the amount distributed to each county for operating costs, administrative costs and emergency grants.

(d) Expenditures for state operating costs and administrative costs.

(e) The number of approved emergency grant applications, by category of assistance, and the number of denied applications, by reason of denial.

(f) A description of the MVAA's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus at or above its original amount of \$50,000,000.00.

(g) The overall financial status of the Michigan veterans' trust fund, including revenues and year-end balance.

(h) Expenditures for program partnerships, delineated by organization, and expenditures for any other program initiatives.

Sec. 406. The MVAA shall do all of the following:

(a) Provide outreach services to Michigan veterans to advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92.

(b) Develop and operate an outreach program that communicates benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(c) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which veterans are entitled.

(d) Fulfill requests for military discharge certificates (DD-214) upon request.

(e) Not later than January 1, submit a report providing, to the extent known, data on the estimated number of homeless veterans, by county, in this state.

(f) Not later than January 1, submit a report on the percentage of Michigan veterans contacted through its outreach programs, with a goal of 90%, and report that percentage on the status of outreach.

Sec. 408. From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services and do all of the following:

(a) Coordinate with veteran benefit counselors throughout a specified region.

(b) Coordinate services with all state departments and agencies.

(c) Coordinate with regional workforce and economic development agencies.

(d) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(e) Work with MVAA service officers, county veteran counselors, VSO service officers, and other service providers to increase awareness of available mental health care resources and support services veterans may be eligible to receive.

(f) Coordinate with the DHHS to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(g) Collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(h) Ensure that all MVAA service officers and VSO service officers receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance use disorder, or other mental health issues.

Sec. 410. (1) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible. The MVAA shall report annually on the number of benefit claims, by type, submitted to the USDVA by MVAA and maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(2) The MVAA shall develop and implement a process to ensure that all county veterans counselors receive the training and accreditation necessary to provide quality services to veterans and shall report information annually on the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training, with an overall goal of 100% of county veterans counselors trained.

(3) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to \$100,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 411. (1) From the funds appropriated in part 1 for veterans service grants, the MVAA shall establish, administer, and award competitive grants to 1 or more congressionally chartered VSOs or a coalition of VSOs. The MVAA shall award grants to support efforts to connect veterans and their dependents with federal compensation and pension benefits and state veterans' benefits, including emergency grants through the Michigan veterans' trust fund and other local or nonprofit assistance that may be available to veterans and their dependents. The MVAA shall establish a competitive grant process that satisfies all of the following:

(a) Utilizes a service provision model to provide services across the state and can be tracked regionally to ensure that veterans and their dependents in this state, including those within tribal communities, are provided with services, advocacy, and outreach as close to the communities in which they live as possible.

(b) Ensures that grantees are providing adequate veteran services and advocacy, through in-person and virtual meetings, that enables the organization to meet performance goals established in the grant agreement.

(c) Fosters innovative and transformative approaches and techniques for the grantee to use when providing services, advocacy, and outreach for veterans and their dependents.

(d) Requires grantees to use an MVAA-designated internet-based claims data system to manage caseloads. License fees associated with the claims data system described in this subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

(e) Requires grantees, in coordination with the MVAA, to provide services to incarcerated veterans who are within 1 year of their earliest release date.

(f) Ensures that each grantee is issued performance goals.

(g) Ensures that each grantee expends grant awards as prescribed in the grant agreement.

(h) Requires each grantee to report not less than quarterly on all of the following:

(i) An accounting for all grant fund expenditures.

(ii) The number and type of claims originated and submitted by the grantee to the USDVA.

(iii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to the USDVA.

(iv) The services provided to veterans and their dependents.

(v) Progress in achieving monthly performance benchmark goals.

(i) Ensures that each grantee is issued monthly performance benchmark goals that each grantee must aim to achieve and require each grantee to report to the MVAA, in order to ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal year.

(2) The MVAA shall do all of the following:

(a) Follow all generally accepted accounting principles in accordance with sections 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.

(b) When establishing, modifying, or amending the competitive grant process described in subsection (1), consult and collaborate with congressionally chartered VSOs in the state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to providing services, advocacy, and outreach to veterans and their dependents.

(c) Provide notice to current grantees of any MVAA-proposed modifications or amendments to the competitive grant process and provide those grantees with an opportunity to respond through written communication.

(d) Assess the accuracy rate of claims reported by grantees.

(e) Review and audit grantees' expenditure of grant funds to ensure compliance with the grant agreement, as provided under section 470 of the management and budget act, 1984 PA 431, MCL 18.1470.

(3) Not later than January 1, the MVAA shall provide a report summarizing grant activities for the previous fiscal year, including the amount of expenditures, number of service and advocacy hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(4) From the funds appropriated in part 1 for veterans service grants, \$211,800.00 must be allocated to cover necessary administrative and implementation costs incurred by the MVAA.

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

(a) The purpose of the project is to administer and award competitive grants to 1 or more congressionally chartered VSOs or a coalition of VSOs.

(b) The project will be accomplished by state employees and grantees.

(c) The tentative completion date is September 30, 2026.

Sec. 413. (1) The funds appropriated in part 1 for county veteran service grants must be deposited into the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund are appropriated and available for expenditure as provided by law.

(2) From the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a, \$211,800.00 must be allocated to the MVAA to cover necessary administrative and implementation costs incurred by the MVAA.

(3) The MVAA shall provide a report not later than January 1 that includes the following information for the previous fiscal year:

(a) A list of counties that received a grant under this section.

(b) The total amount of grant funding each county received including any amount of funding provided under the emergent need relief program pursuant to section 3a(10) of 1953 PA 192, MCL 35.623a.

(c) A summary of each county's expenditures of grant funding.

(d) The amount of any unexpended grant funding disbursed to the counties that has been recovered and returned to the county veteran service fund.

(e) The balance of the county veteran service fund at the close of the fiscal year.

(f) A list of counties that have requested funds in the current fiscal year, the amount requested by each county, and the total of these amounts.

(g) A list of counties that did not request funds in the current fiscal year.

(h) The amount of any funds recovered by the MVAA through the MVAA's finding of misused grant funds.

(i) An explanation of any obstacles or reasons for counties not applying for or spending their eligible amount of grant funding.

(j) The amount expended by the MVAA for grant administration and implementation costs.

Sec. 414. Not later than February 1, the department shall provide a report on the status of the construction, operations, and finances of the state veterans cemetery funded in article 10 of 2022 PA 166.

Sec. 415. From the funds appropriated in part 1 for Michigan veterans affairs agency administration, the MVAA shall complete a study and submit a report to the standard report recipients not later than January 1, 2025. The MVAA may partner with any additional stakeholders the MVAA deems necessary for completing the study. The study and report must include all of the following:

(a) An analysis on the scope of homelessness among the state's veteran population.

(b) Challenges to securing housing for homeless veterans.

(c) Recommendations for future long-term partnerships between the Michigan state housing development authority, the MVAA, municipalities, and nonprofit organizations that could assist in eliminating homelessness among veterans in this state. Recommendations under this subdivision must minimize additional costs to local units of government.

Sec. 416. From the funds appropriated in part 1, the department may partner with the DHHS to facilitate and administer a program to contract with or provide grants to local health care providers to accelerate the clinical research and deployment of promising investigational treatments for suicide prevention that have been granted breakthrough therapy designation by the United States Food and Drug Administration and are eligible for expanded access as defined by the United States Food and Drug Administration, specifically for the treatment of post-traumatic stress disorder, major depressive disorder, or treatment-resistant depression in veterans of the United States military and first responders.

MICHIGAN VETERANS' FACILITY AUTHORITY

Sec. 501. (1) Money privately donated to the MVH, the MVFA, or a veterans' facility in excess of the appropriation in part 1 is appropriated and is available for expenditure for the benefit and life enrichment of resident members and for the purpose designated by the private source, if specified and in compliance with this section.

(2) Not later than January 1, the MVH must submit a report that provides the amount of the private donations described under subsection (1) and the purpose for which the funds will be expended, if known. In addition to the annual report required under this subsection, if the MVH, the MVFA, or a veterans' facility receives a private donation that is \$10,000.00 or greater, the MVH must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds are to be expended, if known.

(3) Any unexpended and unencumbered private donations to support the MVH at the close of this fiscal year do not lapse to the general fund and must be carried forward to the subsequent fiscal year.

Sec. 502. (1) From the funds appropriated in part 1, the MVH and the MVFA shall provide compassionate and quality nursing care services at each veterans' facility in this state so that resident members can achieve their highest potential of wellness, independence, self-worth, and dignity. The MVFA and the MVH shall provide nursing care services to veterans in accordance with federal standards and report the results of the annual USDVA and CMS surveys and certification as proof of compliance.

(2) Appropriations in part 1 for a veterans' facility shall not be used for any purpose other than expenses related to the operations of the veterans' facility.

Sec. 503. All contractors providing health care services at a veterans' facility shall provide services in a manner that complies with applicable USDVA and CMS regulations for state veterans' homes and skilled nursing facilities, any rules governing the operation of nursing homes licensed in this state, and any training and education requirements associated with staff licensure or certification.

Sec. 504. (1) The MVFA shall report and investigate all complaints of abuse or neglect at a veterans' facility in compliance with USDVA and CMS regulations for state veterans' homes and skilled nursing facilities. The MVFA shall report on a bimonthly basis the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at a veterans' facility.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(2) The MVFA shall display in high-traffic areas throughout the veterans' facility the process by which visitors, resident members, and staff of the veterans' facility may register complaints.

Sec. 505. The MVH shall do the following regarding member care:

(a) Provide board-certified psychiatric care for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner.

(b) Provide all resident members and staff a safe and secure environment.

(c) Ensure that the veterans' facility effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and the veterans' facility's internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

Sec. 506. The MVH shall establish and implement internal controls regarding all of the following:

(a) The use and management of food, maintenance, and pharmaceutical and medical supply inventories.

(b) Calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle and ensure that all past due resident member maintenance assessments are addressed within 30 days.

(c) Monetary donations and donated goods.

(d) The handling of resident member funds to ensure the release of funds within 15 calendar days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 30 calendar days after the death of that resident member.

(e) Financial reporting and accounting.

Sec. 507. (1) The MVH shall post on its website the following:

(a) All policies adopted by the MVFA and the veterans' facility related to the administrative operations of the veterans' facility.

(b) The agenda and minutes of public meetings of the MVFA board.

(2) The MVH shall provide a report with copies of each veterans' facility's USDVA State Veteran Home quarterly report. These quarterly reports shall also be posted on the MVH website.

(3) Not later than January 1, the MVH shall provide a report on the following:

(a) Census data for each veterans' facility, including information on level of care, service era of its resident members, payer source, and average income and assessment rate.

(b) Per patient daily care hours provided by each veterans' facility, by level of care.

(4) The MVH shall provide a bimonthly report on the financial status of each veterans' facility and central MVFA/MVH administration. Information shall include, but not be limited to, actual year-to-date and projected year-end revenues and expenditures, by fund source.

(5) The MVH shall provide a report on the results of any annual or for-cause survey conducted by any entity with oversight over the veterans' facility and any corresponding corrective action plan. This information shall also be made available publicly through the MVH website.

(6) In addition to the information required under section 12(1) of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.112, not later than January 1, the MVFA shall provide a report detailing the strategies and actions taken to maximize revenues from non-general fund sources and cost savings strategies.

Sec. 508. In addition to the funds appropriated in part 1, private revenues held by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are appropriated to pay medical expenses, member assessments, and other expenses incurred by that resident member. Any unexpended or unencumbered private revenues held on a nonfiduciary basis by the MVH at the close of the fiscal year do not lapse to the general fund and must be carried forward into the subsequent fiscal year.

Sec. 509. Not later than January 1, the MVFA shall provide a report on the construction, operation, and finances of the new Marquette veterans home funded in article 14 of 2022 PA 166.

Sec. 510. Except as otherwise provided by law, any unexpended and unencumbered federal revenues received by the MVFA do not lapse to the state general fund and must be carried forward into the subsequent fiscal year.

CAPITAL OUTLAY

Sec. 601. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions annually.

Sec. 602. (1) The appropriations for armory maintenance and special maintenance - National Guard must be expended in accordance with the requirements of sections 302 and 305 of this part and must be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

(2) Not later than January 15, the department shall provide a report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in previous fiscal years.

Sec. 603. (1) The appropriations for special maintenance - veterans' facility must be expended in accordance with the requirements of section 502 of this part and must be expended according to the maintenance priorities of the MVFA to repair and modernize the state's veterans' facility, which may include physical plant expansions, renovations, or enhancements, and other projects designed to enhance the quality of life and medical care of resident members.

(2) Not later than January 1, the MVH shall provide a report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at each veterans' facility funded from capital outlay appropriations made in part 1 and in previous fiscal years.

ONE-TIME APPROPRIATIONS

Sec. 701. (1) From the funds appropriated in part 1 for eliminating veteran homelessness grants, the MVAA shall create and operate a grant program that provides grants not to exceed \$250,000.00 to Michigan-based nonprofit organizations that provide, or assist in providing, housing for homeless veterans or their families, or both. The MVAA shall award grants to support efforts to reduce or eliminate homelessness among veterans in this state by supporting costs of housing veterans or their families, or both. The MVAA shall develop criteria for determining grant eligibility in accordance with this section. A grant must be disbursed within 60 days after the date that the MVAA receives a completed and signed grant agreement from the nonprofit organization requesting the grant. Grant funding must be used to support costs related to housing or other activities that assist homeless veterans and their families to avoid homelessness.

(2) Not later than January 1, the MVAA shall provide a report summarizing grant activities for the fiscal year ending September 30, 2025, and shall include the following information for each grant issued under this grant program:

(a) The name of each grant recipient.

(b) The location, city, and county of each grant recipient.

- (c) The amount of the grant provided.
- (d) A brief summary of expenditures of grant funding.
- (3) The unexpended funds appropriated in part 1 for eliminating veteran homelessness grants are designated as a work project appropriation, and any unencumbered or unallotted funds do not lapse at the end of the fiscal year and must be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:
 - (a) The purpose of the project is to make grants to Michigan-based nonprofit organizations that provide, or assist in providing, shelter and housing for veterans or their families, or both. The grants must support efforts to reduce or eliminate homelessness among veterans in this state by supporting costs of sheltering and housing veterans or their families, or both.
 - (b) The project will be accomplished by state employees and grantees.
 - (c) The total estimated cost of the project is \$2,500,000.00.
 - (d) The tentative completion date is September 30, 2029.
 - (4) As used in this section:
 - (a) “Veteran” means an individual who served in the United States Armed Forces, including the reserve components and National Guard, and was discharged or released under conditions other than dishonorable. Veteran includes an individual who died while on active duty in the United States Armed Forces.
 - (b) “Homeless” means that term as defined in section 103 of the McKinney-Vento homeless assistance act of 2009, 42 USC 11302.

Sec. 702. Funds appropriated in part 1 for Selfridge Air National Guard Base must be used to support costs of complying with air installation compatible use zone program recommendations, including, but not limited to, both of the following:

- (a) Capital improvements necessary to shift the runway to the north and repair airfield and non-airfield features of the base and surrounding community impacted by the shift.
- (b) Infrastructure projects repairing roadways, vehicle access to the base and museum, stormwater drain and culvert repairs and modernization, force protection features, and airfield features.

ARTICLE 13
DEPARTMENT OF NATURAL RESOURCES
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2025, from the following funds:

DEPARTMENT OF NATURAL RESOURCES		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,539.3	
GROSS APPROPRIATION	\$	534,579,800
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	207,000	
ADJUSTED GROSS APPROPRIATION	\$	534,372,800
Federal revenues:		
Total federal revenues	96,140,700	
Special revenue funds:		
Total local revenues	0	
Total private revenues	7,609,200	
Total other state restricted revenues	353,865,900	
State general fund/general purpose	\$	76,757,000

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	150.1	
Unclassified salaries—FTEs	6.0\$	964,400
Accounting service center		1,652,200
Executive direction—FTEs	11.6	2,326,600
Finance and operations—FTEs	110.5	18,701,600
Gifts and pass-through transactions		5,003,600
Legal services—FTEs	4.0	704,800

		For Fiscal Year Ending Sept. 30, 2025
Minerals Management—FTEs	20.0\$	3,080,500
Natural resources commission		77,100
Office of public lands—FTEs	4.0	1,478,200
Property management		3,440,600
GROSS APPROPRIATION	\$	37,429,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		207,000
Federal revenues:		
Federal funds		449,100
Special revenue funds:		
Private funds		5,003,600
Deer habitat reserve		168,100
Forest development fund		4,673,600
Forest land user charges		8,000
Forest recreation account		55,200
Game and fish protection account		8,146,200
Land exchange facilitation and management fund		4,553,700
Local public recreation facilities fund		226,300
Marine safety fund		887,200
Michigan natural resources trust fund		1,679,100
Michigan state parks endowment fund		4,348,800
Nongame wildlife fund		14,100
Off-road vehicle safety education fund		700
Off-road vehicle trail improvement fund		245,800
Public use and replacement deed fees		30,200
Recreation improvement account		89,800
Snowmobile registration fee revenue		51,100
Snowmobile trail improvement fund		133,100
Sportsmen against hunger fund		500
State park improvement account		2,114,000
Turkey permit fees		81,000
Waterfowl fees		3,400
Waterways account		933,500
Wildlife resource protection fund		44,600
State general fund/general purpose	\$	3,281,900
Sec. 103. DEPARTMENT INITIATIVES		
Full-time equated classified positions	21.0	
Great Lakes restoration initiative	\$	2,904,200
Invasive species prevention and control—FTEs	21.0	7,109,200
GROSS APPROPRIATION	\$	10,013,400
Appropriated from:		
Federal revenues:		
Federal funds		2,904,200
State general fund/general purpose	\$	7,109,200
Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
Full-time equated classified positions	136.3	
Cultural resource management—FTEs	5.5\$	1,009,100
Marketing and outreach—FTEs	88.8	17,433,700
Michigan historical center—FTEs	42.0	6,446,400
Michigan wildlife council		1,400,000
GROSS APPROPRIATION	\$	26,289,200

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Federal revenues:		
Federal funds	\$	2,654,700
State park improvement, federal		322,200
Special revenue funds:		
Forest development fund		172,900
Forest recreation account		18,600
Game and fish protection account		9,239,300
Land exchange facilitation and management fund		51,400
Marine safety fund		39,100
Michigan historical center operations fund		1,220,200
Michigan state parks endowment fund		119,600
Nongame wildlife fund		11,900
Off-road vehicle trail improvement fund		118,400
Recreation passport fees		646,700
Snowmobile registration fee revenue		21,300
Snowmobile trail improvement fund		105,100
Sportsmen against hunger fund		250,000
State park improvement account		4,395,300
Waterways account		163,900
Wildlife management public education fund		1,400,000
Youth hunting and fishing education and outreach fund		43,500
State general fund/general purpose	\$	5,295,100

Sec. 105. WILDLIFE MANAGEMENT

Full-time equated classified positions	230.5	
Natural resources heritage—FTEs	9.0\$	659,200
Wildlife management—FTEs	221.5	47,802,600
GROSS APPROPRIATION	\$	48,461,800

Appropriated from:		
Federal revenues:		
Federal funds		26,472,600
Special revenue funds:		
Private funds		315,700
Cervidae licensing and inspection fees		85,100
Deer habitat reserve		1,824,600
Forest development fund		277,600
Game and fish protection account		12,984,400
Nongame wildlife fund		480,700
Pheasant hunting license fees		175,000
Turkey permit fees		1,098,000
Waterfowl fees		114,100
State general fund/general purpose	\$	4,634,000

Sec. 106. FISHERIES MANAGEMENT

Full-time equated classified positions	227.5	
Aquatic resource mitigation—FTEs	2.0\$	737,200
Fish production—FTEs	63.0	11,016,400
Fisheries resource management—FTEs	162.5	23,718,100
GROSS APPROPRIATION	\$	35,471,700

Appropriated from:		
Federal revenues:		
Federal funds		12,127,700
Special revenue funds:		
Private funds		136,700

	For Fiscal Year Ending Sept. 30, 2025	
Fisheries settlement	\$	737,100
Game and fish protection account		21,255,200
Invasive species fund		100
State general fund/general purpose	\$	1,214,900
Sec. 107. LAW ENFORCEMENT		
Full-time equated classified positions	298.0	
Body cameras for conservation officers—FTEs	5.0	\$ 857,500
General law enforcement—FTEs	293.0	54,037,500
GROSS APPROPRIATION	\$	54,895,000
Appropriated from:		
Federal revenues:		
Federal funds		6,991,100
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account		72,800
Game and fish protection account		21,473,200
Marine safety fund		1,397,400
Michigan state parks endowment fund		71,400
Off-road vehicle safety education fund		171,500
Off-road vehicle trail improvement fund		2,864,100
Snowmobile registration fee revenue		726,800
State park improvement account		72,800
Waterways Account		21,700
Wildlife resource protection fund		1,160,700
State general fund/general purpose	\$	19,772,700
Sec. 108. PARKS AND RECREATION DIVISION		
Full-time equated classified positions	1,102.4	
Forest recreation and trails—FTEs	86.7	\$ 11,384,500
MacMullan Conference Center—FTEs	15.0	1,252,200
Michigan conservation corps		935,000
Nature awaits—FTEs	13.8	4,045,300
Recreational boating—FTEs	181.3	23,830,400
State parks—FTEs	805.6	101,791,400
GROSS APPROPRIATION	\$	143,238,800
Appropriated from:		
Federal revenues:		
Federal funds		144,200
Michigan state waterways fund, federal		1,747,800
Special revenue funds:		
Private funds		428,300
Forest recreation account		5,989,300
MacMullan Conference Center account		1,252,200
Michigan state parks endowment fund		11,470,900
Off-road vehicle safety education fund		7,700
Off-road vehicle trail improvement fund		2,229,100
Pure Michigan trails fund		100
Recreation improvement account		585,500
Recreation passport fees		220,300
Snowmobile registration fee revenue		16,800
Snowmobile trail improvement fund		2,019,500
State park improvement account		85,658,300
State park improvement account - Belle Isle subaccount		875,000
Waterways Account		22,109,200
State general fund/general purpose	\$	8,484,600

For Fiscal Year
Ending Sept. 30,
2025

Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION

Full-time equated classified positions	17.0	
Historical facilities system—FTEs	13.0\$	1,913,300
Mackinac Island State Park operations—FTEs	4.0	342,300
GROSS APPROPRIATION	\$	2,255,600
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund		1,697,500
Mackinac Island State Park operation fund		136,400
State general fund/general purpose	\$	421,700

Sec. 110. FOREST RESOURCES DIVISION

Full-time equated classified positions	356.5	
Adopt-a-forest program	\$	25,000
Cooperative resource programs—FTEs	11.0	1,650,600
Forest fire equipment		931,500
Forest management and timber market development—FTEs	200.0	46,586,100
Forest management initiatives—FTEs	8.5	944,200
Wildfire protection—FTEs	137.0	22,019,000
GROSS APPROPRIATION	\$	72,156,400
Appropriated from:		
Federal revenues:		
Federal funds		5,249,500
Federal national forest timber fund		9,101,000
Special revenue funds:		
Private funds		1,624,900
Commercial forest fund		26,000
Fire equipment fund		668,700
Forest development fund		42,138,700
Forest land user charges		246,000
Game and fish protection account		825,800
Waterways account		55,000
State general fund/general purpose	\$	12,220,800

Sec. 111. GRANTS

Dam management grant program	\$	350,000
Deer habitat improvement partnership initiative		200,000
Federal - clean vessel act grants		400,000
Federal - forest stewardship grants		2,000,000
Federal - rural community fire protection		1,050,000
Federal - urban forestry grants		900,000
Fisheries habitat improvement grants		1,250,000
Grants to communities - federal oil, gas, and timber payments		3,450,000
Grants to counties - marine safety		3,074,700
National recreational trails		3,909,200
Nonmotorized trail development and maintenance grants		200,000
Off-road vehicle safety training grants		60,000
Off-road vehicle trail improvement grants		5,415,500
Recreation improvement fund grants		916,800
Recreation passport local grants		2,000,000
Snowmobile law enforcement grants		380,100
Snowmobile local grants program		7,090,400
Trail easements		700,000
Wildlife habitat improvement grants		1,502,500
GROSS APPROPRIATION	\$	34,849,200

	For Fiscal Year Ending Sept. 30, 2025
Appropriated from:	
Federal revenues:	
Federal funds	\$ 13,276,600
Special revenue funds:	
Private funds	100,000
Deer habitat reserve	200,000
Game and fish protection account	2,752,500
Local public recreation facilities fund	2,000,000
Marine safety fund	1,407,300
Off-road vehicle safety education fund	60,000
Off-road vehicle trail improvement fund	5,415,500
Permanent snowmobile trail easement fund	700,000
Recreation improvement account	916,800
Snowmobile registration fee revenue	380,100
Snowmobile trail improvement fund	7,090,400
State general fund/general purpose	\$ 550,000
Sec. 112. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 10,769,100
GROSS APPROPRIATION	\$ 10,769,100
Appropriated from:	
Special revenue funds:	
Commercial forest fund	2,100
Deer habitat reserve	61,600
Forest development fund	1,567,700
Forest land user charges	23,900
Forest recreation account	43,800
Game and fish protection account	3,916,600
Land exchange facilitation and management fund	30,600
Marine safety fund	165,200
Michigan natural resources trust fund	24,600
Michigan state parks endowment fund	1,357,600
Nongame wildlife fund	30,500
Off-road vehicle safety education fund	10,400
Off-road vehicle trail improvement fund	24,300
Pure Michigan trails fund	100
Recreation improvement account	49,200
Snowmobile registration fee revenue	11,600
Snowmobile trail improvement fund	75,500
Sportsmen against hunger fund	600
State park improvement account	1,513,500
Turkey permit fees	33,800
Waterfowl fees	3,300
Waterways account	506,400
Wildlife resource protection fund	42,100
Youth hunting and fishing education and outreach fund	2,000
State general fund/general purpose	\$ 1,272,100
Sec. 113. CAPITAL OUTLAY	
(1) RECREATIONAL LANDS AND INFRASTRUCTURE	
Federal - land and water conservation fund payments	\$ 12,900,000
Off-road vehicle trail development and maintenance	1,000,000
Snowmobile trail development and maintenance	1,000,000
State parks repair and maintenance	20,050,000
Wetland restoration, enhancement and acquisition	3,000,000
GROSS APPROPRIATION	\$ 37,950,000

	For Fiscal Year Ending Sept. 30, 2025
Appropriated from:	
Federal revenues:	
Federal funds	\$ 12,900,000
Special revenue funds:	
Michigan state parks endowment fund	4,600,000
Off-road vehicle trail improvement fund	1,000,000
Recreation passport fees	13,950,000
Snowmobile trail improvement fund	1,000,000
Waterfowl hunt stamp	1,000,000
State general fund/general purpose	\$ 3,500,000
(2) WATERWAYS BOATING PROGRAM	
Local boating infrastructure maintenance and improvements	\$ 3,500,000
State boating infrastructure maintenance	8,300,000
GROSS APPROPRIATION	\$ 11,800,000
Appropriated from:	
Federal revenues:	
Federal funds	1,500,000
Michigan state waterways fund, federal	300,000
Special revenue funds:	
Waterways account	10,000,000
State general fund/general purpose	\$ 0
Sec. 114. ONE-TIME APPROPRIATIONS	
America 250 Commission grants	\$ 5,000,000
American chestnut restoration initiative	500,000
Mass timber market development	1,000,000
Phragmites management equipment	250,000
Sportsmen Against Hunger refrigeration units	500,000
Huron Waterloo Pathways Initiative's Border-To-Border Trail	1,749,900
Upper Peninsula ski project	100
GROSS APPROPRIATION	\$ 9,000,000
Appropriated from:	
State general fund/general purpose	\$ 9,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$430,622,900.00 and state spending under part 1 from state sources to be paid to local units of government is \$14,253,000.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES	
America 250 Commission grants	\$ 3,000,000
Dam management grant program	175,000
Fisheries habitat improvement grants	125,000
Grants to counties – marine safety	1,407,300
Invasive species prevention and control	2,360,000
Local boating infrastructure maintenance and improvements	3,500,000
Nonmotorized trail development and maintenance grants	100,000
Off-road vehicle safety training grants	60,000
Off-road vehicle trail improvement grants	903,500
Recreation improvement fund grants	91,700
Recreation passport local grants	2,000,000

Snowmobile law enforcement grants	380,100
Upper Peninsula ski project	100
Wildlife habitat improvement grants	150,300
TOTAL	\$ 14,253,000

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

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

- (a) “Department” means the department of natural resources.
- (b) “Director” means the director of the department.
- (c) “FTE” means full-time equated.
- (d) “IDG” means interdepartmental grant.
- (e) “Standard report recipients” means the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

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

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

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

Sec. 207. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The department shall submit the report to the standard report recipients and to the senate and house appropriations committees. The report must include all of the following information:

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

Sec. 209. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside services that the attorney general authorizes.

Sec. 210. Not later than December 15, the state budget office shall prepare and submit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 211. 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 authorization. Amounts appropriated under this section are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 212. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

Sec. 213. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services, supplies, or both. As used in this section, “geographically-disadvantaged business enterprises” means that term as defined in Executive Directive No. 2023-1.

Sec. 217. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 221. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 222. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 224. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec 225. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community’s access to government resources, programs, or facilities.

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

Sec. 226. (1) In addition to the money appropriated in part 1, there is appropriated, from the following state restricted funds and accounts of the Michigan conservation and recreation legacy fund, the following amounts to the following departments and officers:

(a) Department of technology, management, and budget:		
Game and fish protection account	\$	505,600
Waterways account		124,000
State park improvement account		135,600
Forest development fund		265,600
(b) Department of attorney general:		
Game and fish protection account	\$	682,400
Waterways account		151,900
(c) Legislative auditor general:		
Game and fish protection account	\$	38,000
Waterways account		13,700
(d) Department of treasury:		
Game and fish protection account	\$	3,621,700
Waterways account		429,800
Michigan natural resources trust fund		3,354,500

(2) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds to the civil service commission the amount calculated for each fund pursuant to section 5 of article XI of the state constitution of 1963:

- (a) Michigan conservation and recreation legacy fund.
- (b) Forest development fund.
- (c) Michigan natural resources trust fund.
- (d) Michigan state parks endowment fund.
- (e) Michigan nongame fish and wildlife trust fund.

Sec. 227. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the Michigan game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2025.

Sec. 228. The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts and grants for research, wildlife and fisheries management, forest management, invasive species monitoring and control, and natural resource-related programs.

Sec. 229. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, preference must be given to goods or services, or both, that are energy efficient and minimize noise pollution, if they are competitively priced and of comparable quality.

Sec. 230. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 231. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) Amounts remaining from revenue collected by the department under this section that are unexpended and unencumbered must not lapse to the general fund but must be carried forward to the subsequent fiscal year.

Sec. 232. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 240. (1) In addition to supporting the existing archeological responsibilities of the department within the Michigan History Center, the funds appropriated in part 1 for cultural resource management and cultural resource management one-time shall be utilized to establish an ongoing process of increased consultation with known lineal descendants and officials of Native American tribes on whose aboriginal lands a planned archeological activity will occur or an inadvertent discovery has been made. The consultation shall address the identification, treatment, and disposition of Native American cultural items.

(2) The department is encouraged to, whenever possible, repatriate or transfer from its collections Native American cultural items, including human remains, funerary objects, sacred objects, and objects of cultural patrimony, to the lineal descendants and to Native American tribes described in subsection (1).

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than \$3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

Sec. 252. (1) In addition to the funds appropriated in part 1, revenue deposited in the invasive species fund created in section 41311 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.41311, is appropriated and may be expended for invasive species immediate response efforts.

(2) The department shall annually notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of any expenditure of funds appropriated under subsection (1).

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2025, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to fund the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2165. To the extent consistent with part 21, fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

Sec. 304. In addition to the funds appropriated in part 1, the department may receive and expend money from state restricted sources to pay vendor costs associated with administering sales of carbon offset credits.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 408. By December 1, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the prior fiscal year. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

FOREST RESOURCES DIVISION

Sec. 802. From the funds appropriated in part 1, the department shall, by January 1, prepare and submit to the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, and the standing committees of the senate and house with primary responsibility for natural resources issues a report on all of the following:

(a) The number of acres of state forestland prepared for timber harvesting in the prior fiscal year.

(b) The number of acres of state forestland timber sold in the prior fiscal year.

(c) The amount of revenue generated by the timber sale and harvesting of state land in the prior fiscal year.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires and hazard incidents as required by a compact with the federal government. If additional expenditure authorization is required, the department shall so notify the state budget office. The department shall notify the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, and the house and senate fiscal agencies by November 15 of the expenditures under this section during the prior fiscal year.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, the department shall report to the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the prior fiscal year.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME APPROPRIATIONS

Sec. 1201. The unexpended funds appropriated in part 1 for Huron Waterloo Pathways Initiative's Border-To-Border Trail are designated as a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to develop a nonmotorized border-to-border trail.
- (b) The project will be accomplished by utilizing state employees, contracts, or grants.
- (c) The total estimated cost of the project is \$1,749,900.00.
- (d) The tentative completion date is September 30, 2029.

Sec. 1202. The unexpended funds appropriated in part 1 for American chestnut restoration initiative are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to study and implement American chestnut restoration and assisted migration of American chestnut or other species for the purpose of helping adapt the state's forests to climate change.

- (b) The project will be accomplished by utilizing state employees, contracts, or both.
- (c) The total estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2029.

Sec. 1203. The unexpended funds appropriated in part 1 for mass timber market development are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to aid in the development, including research, of a mass timber market in this state.

- (b) The project will be accomplished by utilizing state employees, contracts, or both.
- (c) The total estimated cost of the project is \$1,000,000.00.
- (d) The tentative completion date is September 30, 2029.

Sec. 1204. The funds appropriated in part 1 for phragmites management equipment shall be used to purchase heavy equipment for managing phragmites. The department shall lend this equipment to localities or organizations that require aid in managing phragmites. At least one piece of phragmites management equipment shall be maintained at the St. John's Marsh Wildlife Area.

Sec. 1205. (1) The unexpended funds appropriated in part 1 for Sportsmen Against Hunger refrigeration units are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to acquire refrigerated trailers that processors can use to store deer and processed venison.

(b) The project will be accomplished by utilizing state employees, contracts, or both.

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2029.

(2) Any funds remaining after the purchase of refrigeration units may be used to provide support for disease and fragment testing for donated meat.

Sec. 1206. (1) Funds appropriated in part 1 for America 250 Commission grants shall be allocated by the department to support the America 250 committee and initiatives identified in this section. The committee is established to plan, encourage, develop, and coordinate the commemoration of the 250th anniversary of the founding of the United States, the American Revolution's role in Michigan's history, and the impact of these and other historic events on the people of Michigan's past, present, and future. The committee shall seek to generate collaboration across the state through municipalities, cultural and civic organizations, libraries, schools, community groups, and the public.

(2) The committee shall be comprised of individuals appointed by the governor or governor's designees and at least 4 individuals appointed by the legislature. The speaker of the house of representatives and the senate majority leader shall each appoint 2 individuals to serve on the committee. Appointments shall be made not later than November 1, 2024.

(3) As necessary, the committee may adopt rules, procedures, or perform administrative duties to implement this section.

(4) The committee shall seek private donations, sponsorships, or local contributions to leverage the funds appropriated in Part 1.

(5) The committee shall utilize funding for state and local initiatives to commemorate the semiquincentennial and promote the history and culture of this state. The committee shall establish guidelines and criteria to award any competitive grants for local initiatives.

(6) From the funds appropriated in part 1 and in coordination with the department, the committee shall utilize at least \$3,000,000.00 to implement a grant program for local initiatives to local America 250 committees, local governments, public education institutions, or nonprofits. Not less than \$1,000,000.00 of local initiative grants shall be allocated for initiatives in subsections (8) and (9).

(7) Local initiative grants may support programming, infrastructure, curricular materials, or preservation activities for local museums, cultural institutions, historical associations, or community nonprofits that promote or preserve Michigan history and civic engagement. To the extent possible, recipients of local initiative grants shall seek or provide matching funds to support funds provided by the committee.

(8) The committee shall award up to \$500,000.00 to support a tax exempt organization under section 501(c)(3) of the internal revenue code, 42 USC 501(c)(3), located in a county with a population between 12,000 and 13,000 according to the most recent decennial census, the mission of which is to promote and sponsor cultural enrichment activities and promote economic development in the community. Funds shall be utilized to support the recommendations of a historic community plan completed in 2023.

(9) The committee shall award up to \$500,000.00 to Wayne County Community College to support an initiative that preserves and promotes the state's unique role in the underground railroad. The initiative shall support the community college's historic national designation from the National Park Service Network to Freedom.

(10) From the funds appropriated in part 1, \$2,000,000.00 shall be used to support state initiatives that commemorate, preserve, or display the state's unique role in the history of the United States. State initiatives shall include any of the following:

(a) Capital improvements.

(b) Educational programming.

(c) Modernizing and upgrading exhibits or displays.

(d) Providing family history services or preservation of records.

(e) Efforts to enhance access to unique Michigan history that is aligned to state-approved curriculum standards.

- (f) Partnerships with organizations to provide free educational or cultural history programming, featuring unique Michigan and American history with an emphasis on stories of individual Michigan citizens.
- (g) Partnerships with school districts, higher education, or nonprofit civic organizations to promote greater civics engagement and understanding of Michigan’s unique history.
- (11) The committee shall allocate not less than \$500,000.00 to both the Michigan History Center and the State Archives for state initiatives in subsection (10).
- (12) The department and committee may retain up to 3% of the total funds appropriated in part 1 for administrative costs necessary to implement this section.
- (13) The unexpended funds appropriated in part 1 for America 250 are designated as a work project appropriation. Unencumbered or unallocated funds shall not lapse at the end of this fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:
 - (a) The purpose of the work project is to provide grants for state and local entities to commemorate state history and its unique role in America’s semiquincentennial.
 - (b) The project will be accomplished by utilizing state employees, contracting with vendors, and local partners.
 - (c) The estimated cost of the work project is \$5,000,000.00.
 - (d) The tentative completion date is September 30, 2029.

ARTICLE 14
DEPARTMENT OF STATE POLICE
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2025 from the following funds:

DEPARTMENT OF STATE POLICE		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	7.0	
Full-time equated classified positions	3,849.0	
GROSS APPROPRIATION	\$	953,108,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		27,189,800
ADJUSTED GROSS APPROPRIATION	\$	925,918,700
Federal revenues:		
Total federal revenues		99,062,700
Special revenue funds:		
Total local revenues		4,975,700
Total private revenues		35,000
Total other state restricted revenues		174,984,300
State general fund/general purpose	\$	646,861,000

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	7.0	
Full-time equated classified positions	149.0	
Unclassified salaries—FTEs	7.0\$	1,298,900
Department services—FTEs	25.0	8,299,100
Departmentwide		53,292,400
Executive direction—FTEs	46.0	8,690,700
Mobile office and system support—FTEs	39.0	6,089,700
Professional development bureau—FTEs	39.0	12,074,300
GROSS APPROPRIATION	\$	89,745,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		41,100
IDG from department of treasury, casino gaming fees		406,000
IDG, training academy charges		192,200
Federal revenues:		
DHS		32,400
DOJ		12,800

	For Fiscal Year Ending Sept. 30, 2025	
DOJ, interest bearing	\$	9,900
DOT		2,199,500
Federal indirect funds		1,716,600
Special revenue funds:		
Local funds - AFIS fees		100
Local funds - LEIN fees		800
Local funds - reimbursed services		300
Local funds - school bus revenue		7,200
Auto theft prevention fund		31,100
Criminal justice information center service fees		2,766,000
Drunk driving prevention and training fund		447,500
Forensic science reimbursement fees		51,300
Hazardous materials training center fees		50,800
Highway safety fund		266,000
Marihuana regulatory fund		266,900
Michigan justice training fund		3,700
Michigan merit award trust fund		16,400
Motor carrier fees		354,500
Narcotics-related forfeiture revenue		400
Nuclear plant emergency planning reimbursement		23,200
Precision driving track fees		800
Reimbursed services		300
Secondary road patrol and training fund		100
Sex offenders registration fund		800
State forensic laboratory fund		89,800
State police administrator and coordinator 911 fund		25,800
State police service fees		400
State services fee fund		215,800
Tobacco tax revenue		115,000
Traffic law enforcement and safety fund		494,000
Truck driver safety fund		1,600
Vehicle sales proceeds		650,000
State general fund/general purpose	\$	79,198,000
Sec. 103. LAW ENFORCEMENT SERVICES		
Full-time equated classified positions	600.0	
Biometrics and identification—FTEs	60.0\$	11,563,600
Criminal justice information center—FTEs	154.0	29,473,200
Forensic science—FTEs	277.0	49,443,200
Grants and community services—FTEs	60.0	25,934,300
Office of school safety—FTEs	6.0	1,379,700
State 911 administration—FTEs	5.0	1,140,200
Training operations—FTEs	38.0	8,259,500
Trooper recruit school onboarding, training, and outfitting		5,000,000
GROSS APPROPRIATION	\$	132,193,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state		405,000
IDG from department of transportation, state trunkline fund		753,900
IDG, training academy charges		2,810,600
Intradepartmental transfers		750,000
Federal revenues:		
DOJ		14,593,700
DOJ, interest bearing		4,011,700

	For Fiscal Year Ending Sept. 30, 2025	
DOT	\$	662,700
Special revenue funds:		
Local funds - SRMS fees		919,200
Private donations		20,000
Auto theft prevention fund		8,242,800
Criminal justice information center service fees		24,889,700
Drunk driving prevention and training fund		200,800
Forensic science reimbursement fees		1,017,900
Motor carrier fees		142,200
Precision driving track fees		335,100
Sex offenders registration fund		395,800
State forensic laboratory fund		767,600
State police administrator and coordinator 911 fund		1,140,200
State services fee fund		8,217,700
Student safety fund		250,000
Traffic crash revenue		581,700
State general fund/general purpose	\$	61,085,400
Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS		
Full-time equated classified positions	27.0	
De-escalation training	\$	500,000
In-service training—FTEs	7.0	18,271,100
Justice training grants		10,000,000
Public safety officers benefit fund—FTE	1.0	303,000
Standards and training—FTEs	19.0	4,017,200
Training only to local units		855,000
GROSS APPROPRIATION	\$	33,946,300
Appropriated from:		
Federal revenues:		
DOJ		280,400
Special revenue funds:		
Law enforcement officers training fund		25,000
Marihuana regulatory fund		3,353,200
Michigan justice training fund		10,000,000
Private security licensing fees		5,000
Retired law enforcement officer safety fund		25,000
Secondary road patrol and training fund		855,000
State general fund/general purpose	\$	19,402,700
Sec. 105. FIELD SERVICES		
Full-time equated classified positions	2,426.0	
Investigative services—FTEs	148.5\$	41,386,200
Post operations—FTEs	2,247.5	419,601,000
Secure cities partnership—FTEs	30.0	9,939,000
GROSS APPROPRIATION	\$	470,926,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		2,100
IDG from department of treasury, casino gaming fees		6,243,600
Federal revenues:		
DOJ		4,655,900
DOT		2,040,400
Forfeiture revenue		544,100
Reimbursed services, federal investigations		3,997,700

	For Fiscal Year Ending Sept. 30, 2025	
Special revenue funds:		
Local funds - reimbursed services	\$	1,235,500
Bottle bill enforcement fund		777,600
Highway safety fund		9,286,300
Marihuana regulation fund		3,196,900
Marihuana regulatory fund		2,507,600
Michigan merit award trust fund		857,300
Narcotics-related forfeiture revenue		1,541,100
Nonnarcotic forfeiture revenue		50,600
Rental of department aircraft		900
State police service fees		6,153,400
State services fee fund		1,028,600
Tobacco tax revenue		5,251,100
Traffic law enforcement and safety fund		25,282,400
Trooper school recruitment fund		5,073,900
State general fund/general purpose	\$	390,048,700
Sec. 106. SPECIALIZED SERVICES		
Full-time equated classified positions	647.0	
Commercial vehicle enforcement—FTEs	211.0	\$ 39,235,700
Emergency management and homeland security—FTEs	64.0	16,973,800
Hazardous materials programs—FTEs	25.0	23,636,000
Highway safety planning—FTEs	25.0	20,519,800
Intelligence operations—FTEs	233.0	35,424,200
Secondary road patrol program—FTE	1.0	15,008,200
Special operations—FTEs	88.0	20,375,500
GROSS APPROPRIATION	\$	171,173,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		11,702,900
IDG from department of treasury, public safety answer point training 911 fund		100,000
Intradepartmental transfers		2,055,200
Federal revenues:		
DHS		31,924,100
DOT		31,420,400
Special revenue funds:		
Local funds - school bus revenue		1,860,900
Private donations		15,000
Bottle bill enforcement fund		230,000
Criminal justice information center service fees		427,400
Hazardous materials training center fees		749,700
Marihuana regulation fund		256,900
Marihuana regulatory fund		389,900
Motor carrier fees		9,067,000
Nuclear plant emergency planning reimbursement		2,430,000
Reimbursed services		1,722,200
Rental of department aircraft		51,500
Secondary road patrol and training fund		15,008,200
State police dispatch operator 911 fund		681,900
Truck driver safety fund		3,975,700
State general fund/general purpose	\$	57,104,300
Sec. 107. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	30,224,000
GROSS APPROPRIATION	\$	30,224,000

	For Fiscal Year Ending Sept. 30, 2025
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of transportation, state trunkline fund	\$ 364,700
IDG from department of treasury, casino gaming fees	122,800
IDG, training academy charges	11,500
Intradepartmental transfers	21,700
Federal revenues:	
DHS	119,400
DOJ	580,400
DOT	260,600
Special revenue funds:	
Local funds - AFIS fees	80,000
Local funds - LEIN fees	851,300
Local funds - school bus revenue	20,400
Auto theft prevention fund	6,200
Criminal justice information center service fees	10,390,500
Drunk driving prevention and training fund	3,600
Forensic science reimbursement fees	76,500
Highway safety fund	92,400
Marihuana regulatory fund	773,700
Michigan merit award trust fund	3,400
Motor carrier fees	420,500
Nuclear plant emergency planning reimbursement	12,800
Sex offenders registration fund	228,400
State forensic laboratory fund	113,000
State police administrator and coordinator 911 fund	7,200
State police dispatch operator 911 fund	68,900
State services fee fund	84,400
Tobacco tax revenue	21,400
Traffic crash revenue	246,900
Traffic law enforcement and safety fund	119,500
State general fund/general purpose	\$ 15,121,900
Sec. 108. ONE-TIME APPROPRIATIONS	
Cold case investigations	\$ 1,000,000
Disaster and emergency contingency fund	10,000,000
Disaster recovery grants	3,200,000
Law enforcement training for communicating with limited English speaking communities and those deaf and hard of hearing	500,000
MIS security	200,000
Public safety academy assistance program	10,000,000
GROSS APPROPRIATION	\$ 24,900,000
Appropriated from:	
State general fund/general purpose	\$ 24,900,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$821,845,300.00 and state spending from state sources to be paid to local units of government is \$64,141,500.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE	
Disaster recovery grants	\$ 3,200,000
Disaster and emergency contingency fund	10,000,000

	For Fiscal Year Ending Sept. 30, 2025
In-service training	\$ 14,586,000
Justice training grants	10,000,000
Public safety academy assistance program	10,000,000
Secondary road patrol program	15,000,000
Law enforcement communication training	500,000
Training only to local units	855,500
TOTAL	\$ 64,141,500

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

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

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "CJIS" means Criminal Justice Information Systems.
- (c) "Department" means the department of state police.
- (d) "DHS" means the United States Department of Homeland Security.
- (e) "Director" means the director of the department.
- (f) "DNA" means deoxyribonucleic acid.
- (g) "DOJ" means the United States Department of Justice.
- (h) "DOT" means the United States Department of Transportation.
- (i) "DTMB" means the department of technology, management, and budget.
- (j) "FTE" means full-time equated.
- (k) "IDG" means interdepartmental grant.
- (l) "LEIN" means the law enforcement information network.
- (m) "MCOLES" means the Michigan commission on law enforcement standards created in section 3 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.603.
- (n) "SIGMA" means the statewide integrated governmental management application.
- (o) "SRMS" means the state records management system.
- (p) "Standard report recipients" means the senate and house appropriations subcommittees on state police, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or a legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

- (a) The dates of each travel occurrence.
 - (b) The total transportation and related costs of each travel occurrence and the proportion funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.
- Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside services that the attorney general authorizes.

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

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

Sec. 211. The department shall cooperate with the DTMB to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that geographically-disadvantaged business enterprises 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 geographically-disadvantaged business enterprises for services or supplies, or both. As used in this section, "geographically-disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-01.

Sec. 216. On a quarterly basis, the department shall report the following information to the recipients required under section 205:

- (a) The number of FTE positions in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTE positions authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department at the end of the reporting period.

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that was enacted and took effect during the previous calendar year. The department shall submit the report to the standard report recipients and to the senate and house appropriations committees and the joint committee on administrative rules.

Sec. 222. To the extent permissible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 224. The department shall provide biannual reports to the standard report recipients that include the following data:

- (a) A list of major work projects, including the status of each project.
- (b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report must include a plan to reduce overall expenses while still satisfying specified service level requirements.
- (c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 225. Based on the availability of federal funding and demonstrated need, as indicated by applications submitted to the state court administrative office, the department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 226. The department shall notify the subcommittees, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies when it recommends to close or consolidate any state police post. The notification must include a local and state impact study of the proposed post closure or consolidation.

Sec. 227. If the department presents a plan to the state employer to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan must include the criteria under which the privatization initiative will be evaluated. The evaluation must be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 228. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel. All costs incurred in providing the services are eligible for reimbursement.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

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

Sec. 229. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 230. The department may establish and collect fees for publications, videos, conferences, workshops, and related materials. Fees collected under this section must be used to offset expenditures for costs of the publications, videos, workshops, conferences, and related materials. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 231. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use the gifts, bequests, donations, contributions, or grants accepted under this subsection for the purposes designated by the private or public source, if the purpose is specified.

(2) Revenue collected by the department under this section that is unexpended and unencumbered must not lapse to the general fund but must be carried forward to the subsequent fiscal year.

(3) Private revenues received under this section that exceed the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(4) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of the approval, and the projected use of the funds to be expended.

Sec. 232. (1) Federal revenues authorized by and available from the federal government in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements. The total amount of federal revenues that may be received and expended under this section and section 704(3) must not exceed \$105,000,000.00.

(2) The department shall notify the subcommittees and the senate and house fiscal agencies before expending federal revenues received and appropriated under subsection (1).

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

Sec. 233. (1) It is the intent of the legislature that the department shall take all steps necessary to protect the data and privacy of citizens who are not the focus of a departmental investigation and to protect personal information from unauthorized access or misuse. The protection required under this subsection includes, but is not limited to, all of the following:

(a) Requiring vendors or service providers to protect data shared with them.

(b) Ensuring that when personal data is collected, but no longer utilized by the department, that reasonable steps be taken to securely destroy records containing personal information when it is to be discarded so that the information is rendered indecipherable and is not sold for marketing or other purposes.

(2) The department shall provide written notification to any data subject whose sensitive personal information is accessed or acquired by an unauthorized person.

Sec. 234. A law enforcement officer funded under part 1 shall not be required to issue a predetermined or specified number of citations for violations of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or of a local ordinance that substantially corresponds to the provisions of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, including parking or standing violations. A law enforcement officer's performance evaluation system must not require a predetermined or specified number of citations to be issued.

Sec. 235. The department, in collaboration with the department of health and human services and the department of education, shall advise on initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

- (a) Utilization of trauma-informed practices.
- (b) Age-appropriate education and information on human trafficking.
- (c) Age-appropriate education and information on sexual abuse prevention.

Sec. 237. From the funds appropriated in part 1, the director shall establish and maintain local headquarters in various places, and may do so by agreement, lease, or otherwise, as provided under section 7 of 1935 PA 59, MCL 28.7.

Sec. 239. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered

with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) From the funds appropriated in part 1 for the professional development bureau, the department may provide or obtain the following training:

(a) Training that directly relates to the individual's job description and role within the department.

(b) Professional development training.

(c) Training that provides the individual with the ability to seek expanded opportunities within the department.

(d) Advanced education training.

(e) De-escalation training.

(2) Not later than January 1, 2026, the department shall submit a report to the standard report recipients and to the senate and house appropriations committees that includes the following information about the funds appropriated in part 1 for the professional development bureau:

(a) The training courses that the department's employees completed.

(b) If a training course is developed by the department, a description of that course's curriculum and its purpose.

(c) The number of the department's employees who have received and completed training pursuant to this section.

Sec. 302. (1) From the funds appropriated in part 1, the department shall, in collaboration with the department of civil rights and MCOLES, provide the following training to local police departments or officers free of charge:

(a) Cultural awareness and competency.

(b) Tolerance, diversity, and implicit bias.

(c) Conflict management and de-escalation.

(d) Use of force on vulnerable individuals, including children, individuals with disabilities, individuals with unmet mental health needs, individuals under the influence of substances, and pregnant individuals.

(e) Mental health and wellness for law enforcement officers.

(2) The training provided under subsection (1) may be offered online in order to facilitate easy access and may be given by department staff, contractors, or external vendors.

(3) On a quarterly basis, the department shall submit a report to the standard report recipients on the number of officers, by police department, that received training under this section.

LAW ENFORCEMENT SERVICES

Sec. 401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide performance data, as provided under section 224, for days of training being conducted by the academy.

(3) The department shall submit a report to the standard report recipients within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report must include all of the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the recruit school, the number of recruits who graduated from the recruit school, and the location at which each of these recruits is assigned.

(4) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 402. (1) In accordance with applicable state and federal laws and regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies. The department shall report the number of these outreach activities conducted, as provided under section 224.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make individual traffic crash reports available for a fee of \$15.00 per incident. The department may also sell an extract of electronic traffic crash data for a fee of \$0.25 per incident, provided that the name, address, and any other personal identifying information have been excluded.

(6) By March 1, the department shall submit a report to the standard report recipients detailing the number of traffic crash reports provided, the amount of revenue collected, and all expenditures incurred for activities under subsection (5) in the preceding fiscal year. The report must include an analysis of whether revenue from department activities under subsection (5) is sufficient to offset all costs incurred for those activities and must provide information regarding any deficit or surplus of revenue.

(7) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(8) The department shall, in accordance with applicable state and federal laws, provide for the maintenance of records, including criminal history records regarding firearms licensure, as provided under 1927 PA 372, MCL 28.421 to 28.435.

(9) The department shall provide information on the number of background checks processed through the internet criminal history access tool (ICHAT), as provided in section 224.

(10) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees must not lapse to the general fund, but must be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.274.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees must not lapse to the general fund, but must be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing and analysis/profiling of DNA evidence to aid in law enforcement investigations in this state.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 34 USC 12592.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with the average annual caseload received by the forensic science division during the preceding 5 fiscal years, and shall work to achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

(4) The department shall provide the following data as provided in section 224:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

Sec. 404. (1) The biometrics and identification division shall maintain and manage the automated biometric identification system, statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, as provided in section 224.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with the average annual caseload received during the preceding 5 fiscal years, with a goal of achieving a 15-day average wait time.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 405. Not later than December 1, the department shall submit a report to the standard report recipients that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the previous fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the previous fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the previous fiscal year.

(d) Sexual assault kit analysis backlog at the end of the previous fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the previous fiscal year.

Sec. 406. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs, including the department's community policing efforts.

(c) Administration of the office of school safety.

(d) Administration and outreach of the OK2SAY program.

Sec. 407. Not later than March 30, the office of school safety shall provide a school safety report to the legislature and the senate and house fiscal agencies that must include reports of both of the following:

(a) The incidents of school violence or threats reported to the state police by local law enforcement or local school districts, or received through the Michigan incident crime report (MICR).

(b) OK2SAY-based incidences and activities.

(c) Based upon an evaluation of school safety incidents, recommendations on best practices, and other safety measures to ensure school safety in this state.

Sec. 408. The unexpended and unencumbered general fund/general purpose funds appropriated in part 1 for trooper recruit school onboarding, training, and outfitting must not lapse to the general fund at the end of the fiscal year but must be deposited into the trooper recruit school fund created under section 819b of the Michigan vehicle code, 1949 PA 300, MCL 257.819b.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and licensure revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

(3) From the funds appropriated in part 1, MCOLES, by March 1, shall submit a report to the standard report recipients that includes a summary of MCOLES activities during the prior calendar year. The report required under this subsection must include, but is not limited to, both of the following information:

(a) An account of the distribution of training funds administered by MCOLES.

(b) A list of recipients that received training funds under subdivision (a) and the amount received by each recipient and for what purpose it was used.

Sec. 502. The general fund/general purpose funds appropriated in part 1 for the public safety officers benefit fund must be deposited into the public safety officers benefit fund created in section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633. The general fund/general purpose funds appropriated in part 1 for the public safety officers benefit fund and deposited into the public safety officers benefit fund in accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633, and this section should be used to increase the \$25,000.00 benefit payment made to a recipient who dies or is permanently and totally disabled during the fiscal year under section 4 of the public safety officers benefit act, 2004 PA 46, MCL 28.634, to \$50,000.00. All funds in the public safety officers benefit fund are appropriated and available for expenditure in accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633.

Sec. 503. Funds appropriated in part 1 for in-service training must be deposited into the law enforcement officers training fund created in section 11(7) of the Michigan commission on law enforcement standards

act, 1965 PA 203, MCL 28.611. All funds in the law enforcement officers training fund are appropriated and available for expenditure to support the implementation of required annual in-service training standards for all licensed law enforcement officers, in accordance with rules promulgated under section 11(2) of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 must be committed to distressed cities in this state. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall report on the number of residence checks of registered sex offenders conducted, as provided under section 224.

(4) The department shall submit a report to the standard report recipients on or before April 15 regarding the secure cities partnership during the previous calendar year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as the average annual number provided during the preceding 5 fiscal years.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall provide training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, legal issues, opioid-related investigations, and other emerging law enforcement issues.

(5) The department shall maintain the staffing and resources necessary to investigate the average annual number of opioid-related investigations conducted by multijurisdictional task forces and hometown security teams during the preceding 5 fiscal years. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in this state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, and by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the standard report recipients and to the senate and house appropriations subcommittees on general government that details expenditures and activities related to tobacco tax enforcement for the previous fiscal year.

Sec. 604. (1) The department shall provide fire investigation training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the average annual number of requests for fire investigation services that occurred during the preceding 5 fiscal years, and shall be available for call out statewide 100% of the time.

Sec. 605. (1) From the funds appropriated in part 1, the department shall make an organized, strategic effort to recruit trooper school candidates and other new employees that mirror the diverse racial, religious, and cultural backgrounds that make up the communities in Michigan, including individuals who are Black, Jewish, Native American, LGBTQ+, Indian/Hindu, Hispanic, Arab/Muslim, and Asian and Pacific Islander. The department shall submit an annual report of these recruiting efforts, along with the status of the diversity of current racial, religious, and cultural backgrounds of those employed by the department to the subcommittees not later than April 15 of each year.

(2) The department may use the funds appropriated in part 1 that represent attrition savings to offset the cost of recruiting efforts described under subsection (1).

SPECIALIZED SERVICES

Sec. 701. (1) The department shall operate the Michigan intelligence operations center for homeland security as this state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats, as reported to or discovered by the Michigan intelligence operations center for homeland security, and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the internet crimes against children task force. The department shall maintain the staffing and resources necessary to complete the average annual number of cases completed by the computer crimes unit during the preceding 5 fiscal years. The computer crimes unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide. The department shall maintain the staffing and resources necessary to complete the average annual casework that the Michigan cyber command center completed during the preceding 5 fiscal years.

(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.

Sec. 702. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state, in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the average annual number of requests for specialty services which occurred during the preceding 5 fiscal years.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The marine services team shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(8) The department shall maintain the staff and resources necessary to provide security services at the State Capitol Complex facilities, the State Secondary Complex, and other state-owned or leased properties, as provided under section 6c of 1935 PA 59, MCL 28.6c. The department shall also maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Binsfeld Office Building, Townsend Parking Ramp, Roosevelt Parking Ramp, and other areas as directed. The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

Sec. 703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; new entrant operations; commercial driver licenses; and inspections pursuant to the federal motor carrier assistance program.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, must be expended in accordance with that act. Unexpended and unencumbered revenues must not lapse to the general fund but must be carried forward into the subsequent fiscal year.

Sec. 704. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call on any agency or department of this state or any resource of this state to protect life or property or to provide for the health or safety of the population in any area of this state in which the governor proclaims a state of emergency or state of disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director, as soon as possible, a complete report of all actions taken under the authority of this section. The report must contain, as a separate item, a statement of all money expended that is not reimbursable from federal funding. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the funds appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local

or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in SIGMA is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and source of the additional authorization, the date of its approval, and the projected use of the funds to be expended under the authorization. The total amount of federal revenues that may be received and expended under this section and section 232 must not exceed \$105,000,000.00.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds must be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) If, in a particular month, expenditures are made from the disaster and emergency contingency fund, the department shall submit a report for that month to the senate and house fiscal agencies detailing the purpose of the expenditures. The monthly report required under this subsection must be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) The department shall track and report on a biannual basis, as provided in section 224 of this part, the status of the department's assessment of critical infrastructure vulnerabilities, including the protection status of critical infrastructure items identified by the assessment. The department is not required to report any information that could compromise the security of any critical infrastructure.

(10) Revenue collected by the department under this section for the emergency management and homeland security training center that is unexpended and unencumbered at the end of the fiscal year must not lapse to the general fund, but must be carried forward into the subsequent fiscal year.

Sec. 705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on roads in this state, in partnership with other public and private organizations.

Sec. 706. (1) Funds appropriated in part 1 for the secondary road patrol program must be used to provide grants to sheriffs under the secondary road patrol program described under section 76 of 1846 RS 14, MCL 51.76.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to do all of the following:

(a) Patrol and monitor traffic violations.

(b) Enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads.

(c) Investigate accidents involving motor vehicles.

(d) Provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

ONE-TIME APPROPRIATIONS

Sec. 801. The general fund/general purpose funds appropriated in part 1 for the disaster and emergency contingency fund must be deposited to the restricted disaster and emergency contingency fund created in section 18 of the emergency management act, 1976 PA 390, MCL 30.418.

Sec. 802. (1) From the 1-time funds appropriated in part 1 for law enforcement training for communication with limited English speaking communities and those deaf and hard of hearing, MCOLES shall ensure that training be provided to law enforcement officers to assist in their communication with members of the public who experience a language barrier or may be hard of hearing or deaf. The training required under this subsection must be developed by an entity that is MCOLES approved in a manner prescribed by the commission and holds an oral transliteration certificate. Any training course provided for under this section must be certified by the international accreditors for continuing education and training.

(2) The unexpended funds appropriated in part 1 for law enforcement training for communication with limited English speaking communities and those deaf and hard of hearing are designated as a work project appropriation, and any unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is the training of law enforcement officers.
- (b) The project will be accomplished by utilizing contracts with service providers.
- (c) The estimated cost of this project is \$500,000.00.
- (d) The tentative completion date for the work project is September 30, 2029.

Sec. 803. Funds appropriated in part 1 for cold case investigations must be allocated as follows:

(a) \$400,000.00 to the Michigan state police special investigation division and at least \$250,000.00 of this allocation must be used to support cold case murder investigations in a city with a population greater than 110,000 and less than 115,000 according to the most recent federal decennial census.

(b) \$200,000.00 to the Michigan state police forensic science division.

(c) \$400,000.00 to 2 universities that have had a cold case program partnership with the department for over a year by October 1, 2024 and that provide workforce development training related to criminal investigation tactics, forensic science and law, and review of cold homicide and missing person cases. Funds disbursed under this subdivision must be distributed equally, \$200,000.00 to each university, and used only for programmatic and operational expenses of the university's cold case training course program.

Sec. 804. Funds appropriated in part 1 for disaster recovery grants must be allocated as follows:

(a) \$1,000,000.00 to a county with a population greater than 250,000 and less than 275,000 according to the most recent federal decennial census for weather-related disaster expenses.

(b) \$1,000,000.00 to a county with a population greater than 66,000 and less than 66,500 according to the most recent federal decennial census for flood-related disaster expenses.

(c) \$200,000.00 to a city with a population greater than 2,000 and less than 2,100 located in a county with a population greater than 65,000 and less than 70,000 according to the most recent federal decennial census for weather-related disaster expenses.

(d) \$1,000,000.00 to a county with a population greater than 8,100 and less than 8,200 for flood-related disaster expenses.

Sec. 805. (1) From the funds appropriated in part 1 for public safety academy assistance program, the department shall do all of the following:

(a) Pay the salaries of training academy recruits from public safety agencies.

(b) Pay the salaries of individuals who receive scholarships under subdivision (c).

(c) Allocate funds to MCOLES to establish and administer a competitive scholarship program that provides police academy scholarships of up to \$20,000.00 per recruit on a first-come, first-served basis to an individual in a public safety agency who meets the requirements of subsection (2) and any necessary requirements to enroll in a police academy program.

(2) An individual must meet both of the following requirements to receive a scholarship under this section:

(a) Have applied to at least 1 law enforcement basic training academy approved by MCOLES.

(b) Have completed an interview and received approval for the scholarship from the public safety agency that the individual intends to serve.

(3) For the purposes of this section, no more than 25 scholarships may be approved by a particular public safety agency.

(4) MCOLES is authorized to use up to \$140,000.00 for administration of the scholarship program established and administered by MCOLES under this section.

(5) The unexpended funds appropriated in part 1 for public safety academy assistance programs are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide salaries and scholarships for public safety recruits.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.

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

(d) The tentative completion date is September 30, 2027.

ARTICLE 15
STATE TRANSPORTATION DEPARTMENT
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2025 from the following funds:

DEPARTMENT OF TRANSPORTATION	
APPROPRIATION SUMMARY	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	3,222.3
GROSS APPROPRIATION	\$ 6,807,900,300
Interdepartmental grant revenues:	
IDG for accounting service center user charges	4,316,700
Total interdepartmental grants and intradepartmental transfers	4,316,700
ADJUSTED GROSS APPROPRIATION	\$ 6,803,583,600
Federal revenues:	
Total federal revenues	2,273,675,100
Special revenue funds:	
Total local revenues	87,448,500
Total private revenues	18,800,000
Total other state restricted revenues	4,230,660,000
State general fund/general purpose	\$ 193,000,000
Sec. 102. DEBT SERVICE	
Airport safety and protection plan	\$ 3,615,900
Blue Water Bridge fund	3,963,100
Economic development	1,687,400
Local bridge fund	556,500
State trunkline	330,880,800
GROSS APPROPRIATION	\$ 340,703,700
Appropriated from:	
Special revenue funds:	
Blue Water Bridge fund	3,963,100
Economic development fund	1,687,400
Local bridge fund	556,500
State aeronautics fund	3,615,900
State trunkline fund	330,880,800
State general fund/general purpose	\$ 0
Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES	
CTF grant to civil service commission	\$ 250,000
CTF grant to department of attorney general	110,900
CTF grant to department of technology, management, and budget	36,300
CTF grant to department of treasury	54,900
CTF grant to legislative auditor general	47,100
MTF grant to department of environment, Great Lakes, and energy	2,182,800
MTF grant to department of state for collection of revenue and fees	20,000,000
MTF grant to department of treasury	3,528,000
MTF grant to legislative auditor general	382,400
SAF grant to civil service commission	150,000
SAF grant to department of attorney general	194,500
SAF grant to department of technology, management, and budget	26,000
SAF grant to department of treasury	81,600
SAF grant to legislative auditor general	37,000
STF grant to civil service commission	6,321,000
STF grant to department of attorney general	2,210,100
STF grant to department of state police	12,864,700

	For Fiscal Year Ending Sept. 30, 2025	
STF grant to department of technology, management, and budget	\$	1,173,100
STF grant to department of treasury		167,000
STF grant to legislative auditor general		888,300
GROSS APPROPRIATION	\$	50,705,700
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		499,200
Michigan transportation fund		26,093,200
State aeronautics fund		489,100
State trunkline fund		23,624,200
State general fund/general purpose	\$	0
Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	309.3	
Unclassified salaries—FTEs	6.0	\$ 964,300
Asset management council		2,300,000
Business support services—FTEs	75.0	13,041,200
Commission audit and support services—FTEs	29.3	4,883,300
Economic development and enhancement programs—FTEs	11.0	1,881,000
Finance, contracts, and support services—FTEs	194.0	27,646,900
Property management		8,320,400
Worker's compensation		1,616,600
GROSS APPROPRIATION	\$	60,653,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG for accounting service center user charges		4,316,700
Special revenue funds:		
Comprehensive transportation fund		1,825,200
Economic development fund		413,100
Michigan transportation fund		4,884,300
State aeronautics fund		711,500
State trunkline fund		48,502,900
State general fund/general purpose	\$	0
Sec. 105. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	42,055,400
GROSS APPROPRIATION	\$	42,055,400
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		520,500
Special revenue funds:		
Blue Water Bridge fund		58,200
Comprehensive transportation fund		236,800
Economic development fund		39,200
Michigan transportation fund		309,400
State aeronautics fund		184,600
State trunkline fund		40,706,700
State general fund/general purpose	\$	0
Sec. 106. TRANSPORTATION PLANNING		
Full-time equated classified positions	144.0	
Planning services—FTEs	144.0	\$ 45,074,800
Grants to regional planning councils		488,800
GROSS APPROPRIATION	\$	45,563,600

	For Fiscal Year Ending Sept. 30, 2025	
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs	\$	26,000,000
Special revenue funds:		
Comprehensive transportation fund		355,800
Michigan transportation fund		11,169,100
State aeronautics fund		30,300
State trunkline fund		8,008,400
State general fund/general purpose	\$	0
Sec. 107. DESIGN AND ENGINEERING SERVICES		
Full-time equated classified positions	1,682.3	
Business services—FTEs	50.8\$	11,771,700
Program development and delivery—FTEs	1,060.5	130,627,900
System operations management—FTEs	571.0	117,518,100
GROSS APPROPRIATION	\$	259,917,700
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		23,529,800
Special revenue funds:		
Comprehensive transportation fund		187,100
Michigan transportation fund		18,123,900
State trunkline fund		218,076,900
State general fund/general purpose	\$	0
Sec. 108. HIGHWAY MAINTENANCE		
Full-time equated classified positions	909.7	
State trunkline operations—FTEs	909.7\$	486,654,800
GROSS APPROPRIATION	\$	486,654,800
Appropriated from:		
Special revenue funds:		
State trunkline fund		486,654,800
State general fund/general purpose	\$	0
Sec. 109. ROAD AND BRIDGE PROGRAM		
Cities and villages	\$	734,069,200
County road commissions		1,316,610,100
Grants to local programs		33,000,000
Local agency wetland mitigation bank fund		2,000,000
Local bridge program		26,914,700
Local federal aid and road and bridge construction		411,168,800
Movable bridge		6,167,100
Rail grade crossing		3,000,000
Rail grade crossing - surface improvements		3,000,000
State trunkline federal aid and road and bridge construction		1,617,892,700
GROSS APPROPRIATION	\$	4,153,822,600
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		1,672,942,500
Special revenue funds:		
Local funds		30,003,500
Private funds		10,000,000
Blue Water Bridge fund		19,058,400
Local bridge fund		26,914,700
Michigan transportation fund		2,097,846,400
State trunkline fund		297,057,100
State general fund/general purpose	\$	0

For Fiscal Year
Ending Sept. 30,
2025

Sec. 110. BLUE WATER BRIDGE

Full-time equated classified positions	47.0	
Blue Water Bridge operations—FTEs	47.0\$	7,804,500
GROSS APPROPRIATION	\$	7,804,500
Appropriated from:		
Special revenue funds:		
Blue Water Bridge fund		7,804,500
State general fund/general purpose	\$	0

Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT

Forest roads	\$	5,000,000
Rural county primary		10,431,600
Rural county urban system		2,500,000
Target industries/economic redevelopment		24,363,100
Urban county congestion		10,431,600
GROSS APPROPRIATION	\$	52,726,300
Appropriated from:		
Special revenue funds:		
Economic development fund		52,726,300
State general fund/general purpose	\$	0

Sec. 112. AERONAUTICS SERVICES

Full-time equated classified positions	48.0	
Air service program	\$	50,000
Aviation services—FTEs	48.0	7,726,600
GROSS APPROPRIATION	\$	7,776,600
Appropriated from:		
Special revenue funds:		
State aeronautics fund		7,776,600
State general fund/general purpose	\$	0

Sec. 113. PUBLIC TRANSPORTATION SERVICES

Full-time equated classified positions	40.0	
Passenger transportation services—FTEs	40.0\$	6,476,900
GROSS APPROPRIATION	\$	6,476,900
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		1,200,000
Special revenue funds:		
Comprehensive transportation fund		5,276,900
State general fund/general purpose	\$	0

Sec. 114. LOCAL BUS TRANSIT

Local bus operating	\$	226,750,000
Nonurban operating/capital		40,626,500
GROSS APPROPRIATION	\$	267,376,500
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs		38,626,500
Special revenue funds:		
Local funds		2,000,000
Comprehensive transportation fund		226,750,000
State general fund/general purpose	\$	0

Sec. 115. INTERCITY PASSENGER AND FREIGHT

Full-time equated classified positions	41.0	
Detroit/Wayne County Port Authority	\$	600,000
Freight property management		1,300,000

	For Fiscal Year Ending Sept. 30, 2025
Intercity services	\$ 9,635,400
Marine passenger service	20,205,000
Office of rail—FTEs 41.0	7,361,700
Rail operations and infrastructure	152,189,200
GROSS APPROPRIATION	\$ 191,291,300
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs	53,885,000
Special revenue funds:	
Local funds	760,000
Private funds	2,800,000
Comprehensive transportation fund	124,794,900
Intercity bus equipment fund	45,400
Michigan transportation fund	2,181,600
Rail freight fund	6,000,000
State trunkline fund	824,400
State general fund/general purpose	\$ 0
Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT	
Municipal credit program	\$ 2,000,000
Service initiatives	20,802,000
Specialized services	30,574,900
Transit capital	254,601,300
Van pooling	400,000
GROSS APPROPRIATION	\$ 308,378,200
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs	166,970,800
Special revenue funds:	
Local funds	37,185,000
Private funds	4,000,000
Comprehensive transportation fund	100,222,400
State general fund/general purpose	\$ 0
Sec. 117. CAPITAL OUTLAY	
(1) BUILDINGS AND FACILITIES	
Salt storage buildings and containment control	\$ 3,000,000
Special maintenance, remodeling, and additions	5,000,500
GROSS APPROPRIATION	\$ 8,000,500
Appropriated from:	
Special revenue funds:	
State trunkline fund	8,000,500
State general fund/general purpose	\$ 0
(2) AIRPORT IMPROVEMENT PROGRAMS	
Airport safety, protection, and improvement program	\$ 182,242,300
Detroit Metropolitan Wayne County Airport	6,760,000
IIJA airport infrastructure grants	115,000,000
GROSS APPROPRIATION	\$ 304,002,300
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs	270,000,000
Special revenue funds:	
Local funds	17,500,000
Private funds	2,000,000
Qualified airport fund	6,760,000
State aeronautics fund	7,742,300
State general fund/general purpose	\$ 0

		For Fiscal Year Ending Sept. 30, 2025
Sec. 118. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	1.0	
Air service/airport revitalization	\$	6,000,000
ARP - One-time local bus operating		20,000,000
Blue Water Bridge equipment and purchases		990,000
Critical infrastructure projects		74,500,000
Federal aid match		76,000,000
Lake Michigan car ferry		2,000,000
Local rail grade crossing surface improvements		2,000,000
Local road and material research program		1,000,000
MI contracting opportunity—FTE	1.0	5,000,000
New technology and mobility		23,950,000
School zone automated speed enforcement pilot project		2,500,000
Supplier risk and information subscription		50,000
GROSS APPROPRIATION	\$	213,990,000
Appropriated from:		
Federal revenues:		
Federal aid - coronavirus state fiscal recovery fund		\$20,000,000
Special revenue funds:		
Blue water bridge fund		990,000
State general fund/general purpose	\$	193,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2024-2025

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is \$4,423,660,000.00 and state spending under part 1 from state sources to be paid to local units of government is \$2,507,859,400.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT		
Grants to regional planning councils	\$	488,800
Cities and villages		734,069,200
County road commissions		1,316,610,100
Grants to local programs		33,000,000
Local bridge program		26,914,700
Local agency wetland mitigation		2,000,000
Movable bridge		3,083,600
Rail grade crossing		1,500,000
Rail grade surface crossing improvements		3,000,000
Transportation economic development		43,438,300
Air service program		50,000
Local bus operating		226,750,000
Detroit/Wayne County Port Authority		600,000
Marine passenger service		2,000,000
Municipal credit program		2,000,000
Service initiatives		7,288,300
Specialized services		13,000,000
Transit capital		77,534,100
Airport safety, protection, and improvement program		7,742,300
Detroit Metropolitan Wayne County Airport		6,760,000
Total payments to local units of government	\$	2,507,859,400

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

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

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the state transportation department.
- (c) "Director" means the director of the department.
- (d) "DOT" means the United States Department of Transportation.
- (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- (f) "FTE" means full-time equated.
- (g) "IDG" means interdepartmental grant.
- (h) "IIJA" means the infrastructure investment and jobs act, 2021, Public Law 117-58.
- (i) "MTF" means Michigan transportation fund.
- (j) "SAF" means state aeronautics fund.
- (k) "Standard report recipients" means the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(l) "STF" means state trunkline fund.

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

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

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

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

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

Sec. 208. (1) The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$40,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$1,000,000.00 for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 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 \$11,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises 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 geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

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

Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.

Sec. 222. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 223. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the

authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue on request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and must be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, the department shall keep that bid documentation confidential and shall not disclose that bid documentation other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. (1) The department shall consult with the Michigan state housing development authority interagency council on homelessness or the Michigan homeless policy council to assess current practices and policies regarding interactions with homeless populations generally and for situations of clearing homeless encampments from public rights-of-way. The assessment must include all of the following at a minimum:

- (a) Additional costs to the department.
- (b) The impact on operations.

- (c) The safety of department staff.
- (d) The impact on homeless individuals.
- (e) The impact on addressing the overall rate of homelessness.
- (f) The effectiveness of strategy in reducing the negative impacts of homeless encampments on rights-of-way.

(2) The department shall undertake a hazardous materials cleanup of homeless sites on the department's property.

(3) The department shall coordinate with local law enforcement, social assistance organizations, homeless assistance agencies, and continuum of care agencies.

(4) Before clearing a homeless encampment site, the department shall do both of the following:

(a) Communicate and post information of the date that the site will be cleared, including posting that information at the site.

(b) Create a plan for clearing the site of possessions and reunifying the possessions with their owners.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments must be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts must be executed before the expenditure or obligation of those funds. The contracts must provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan annual comprehensive financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, the house and senate fiscal agencies, and the auditor general stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds.

Sec. 307. Before March 1, the department shall provide to the legislature, the state budget director, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 310. The department shall post in a timely manner copies of the agenda, approved minutes, and audio recording of state transportation commission meetings.

Sec. 311. (1) The department shall prepare a report on all of the following:

(a) CRRSAA – highway infrastructure – local bridge bundling initiative established in section 113(2) of article 14 of 2021 PA 87.

(b) Local bridge bundling initiative established in section 118 of article 15 of 2023 PA 119.

(2) The report must identify the status of bridge projects selected, funds expended under the program, and funds remaining.

(3) The report shall be submitted to the standard report recipients on or before March 30, 2025.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The department shall administer the state infrastructure bank for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by this state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by this state as a result of projects funded by the program and interest earned on that money must be deposited in the revolving state infrastructure bank fund and must be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund remain in the fund and carry forward into the succeeding fiscal year.

(3) The department shall prepare a report on the status of the state infrastructure bank and submit the report to the standard report recipients on or before December 31, 2024. The report must include all of the following:

(a) The balance in the state infrastructure bank on September 30, 2024, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2024. With respect to each department-owned aircraft, the report must include all of the following:

- (a) Total hours of usage.
- (b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.
- (2) The department shall submit the report as required under section 205 no later than February 1, 2025.
- (3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate this state to expend any state transportation revenue for construction planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit this state to any new contract related to the construction planning or construction of the Gordie Howe International Crossing or a renamed successor that would obligate this state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities that is subject to full and prompt reimbursement from Canada is not considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit monthly reports to the standard report recipients, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, and the senate minority leader on all of the following:

- (a) All expenditures made by this state related to the Gordie Howe Bridge.
- (b) All reimbursements made by Canada under section 384(1) of this part to this state for expenditures for staff resources used in connection with project activities.
- (c) All eminent domain and condemnation powers used, the related real estate involved in any governmental taking, the price paid for those properties, and the beneficiary's name or associated corporation.

(2) The department shall submit the initial report required under subsection (1) on or before December 1, 2024. The initial report must cover the fiscal year ending September 30, 2024.

Sec. 389. (1) Within 30 days after entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement.

(2) As used in this section, "long-term agreement" means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of \$5,000,000.00 or more.

Sec. 393. The department shall promote best practices for public transportation services in this state, including, but not limited to, any of the following:

- (a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses.
- (b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.
- (c) Coordination of transportation dollars among state departments that provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available.
- (d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to \$10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on the state trunkline network.

Sec. 398. The department shall continue to work to eliminate fatalities and serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths statewide safety campaign.

Sec. 399. In developing its state trunkline road and bridge construction program, the department shall prioritize spending on capital preventative maintenance. From the funds appropriated in part 1 for state trunkline road and bridge construction, not less than \$100,000,000.00 must be allocated for capital preventative maintenance treatments for pavement preservation.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) At the close of the fiscal year, funds appropriated in part 1 for the transportation economic development program shall lapse to the transportation economic development fund.

(2) At the close of the fiscal year, funds appropriated in part 1 for the local bridge program shall carry forward and are appropriated for the purposes defined in section 10(5) of 1951 PA 51, MCL 247.660.

(3) Interest earned in the transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(4) In addition to the funds appropriated in part 1, the transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(5) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund must be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund remains in the state trunkline fund and carries forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 612. (1) The department shall report on incentives and disincentives provided under state trunkline construction contracts. The report must include all of the following:

(a) Guidelines governing use of incentive and disincentive provisions.

(b) A list of incentive and disincentive payments made on projects completed in the prior calendar year, including the amount of incentive or disincentive payments by contract or project, and the reason for the incentive or disincentive payment.

(2) The department shall submit the report described in this section to the standard report recipients by not later than March 31, 2025.

Sec. 613. (1) From the funds appropriated in part 1 for state trunkline operations, \$350,000.00 must be allocated to provide each department maintenance garage an industrial magnet roadway sweeper. As used in this section, "industrial magnet roadway sweeper" means an industrial-strength magnet that mounts to the front of road maintenance vehicles and is used to remove metal debris from roadway and highway shoulders.

(2) Industrial magnet roadway sweepers procured by the department must meet the following specifications:

(a) They must fit or be capable of being retrofitted on existing maintenance vehicles.

(b) The vehicle operator must be able to turn the magnet on and off from inside the vehicle cab.

(c) The magnet must not exceed a 2% loss of magnet life per 100 years.

(3) The department must give preference to vendors headquartered in this state.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials and develop criteria and specifications for their use in both department-managed and contracted projects.

(2) From funds appropriated in part 1, the department shall establish the Michigan state transportation innovation council to review innovative road materials and innovative road and bridge design and construction specifications. The Michigan state transportation innovation council shall include, but is not limited to, a representative of the DOT-FHWA, an appointee chosen by the speaker of the house of representatives, and an appointee chosen by the senate majority leader.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment must be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement must be credited to the intercity bus equipment and facility fund for the repair of

intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, must be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund remain in the fund and are carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects must be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund remain in the fund and are carried forward into the succeeding fiscal year.

Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that includes the department's current rolling 5-year rail plan and detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report must include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The department shall submit the report to the standard report recipients on or before December 1, 2025.

Sec. 707. (1) Before March 1, 2025, the department shall provide to the legislature, the state budget office, and the house and senate fiscal agencies its rail strategic plan. The strategic plan must include, but is not limited to, a rolling 5-year rail plan and a summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure.

(2) The rolling 5-year rail plan must include, but is not limited to, all of the following:

(a) A listing by county of all rail infrastructure projects on rail lines within this state utilizing state funds, and the estimated cost of each project.

(b) The actual or projected state expenditures for operation of passenger rail service.

(c) The actual or projected state expenditures for maintenance of passenger service rail lines.

(3) The period of the rolling 5-year rail plan must include the fiscal year ending September 30, 2025 and the immediately following 4 fiscal years.

(4) The summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure must include a breakdown of the appropriation by program, year-to-year obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year.

(5) From the funds appropriated in part 1 for rail operation and infrastructure, not less than \$20,000,000.00 must be allocated for the support of rail-related economic development projects and rail freight system preservation projects.

Sec. 735. For the fiscal year ending September 30, 2025, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, lapses to the state aeronautics fund and may be appropriated by the legislature in the immediately succeeding fiscal year.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion must not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise specified in federal law. State money must not be allocated until local money is allocated. State money for any 1 project must not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay are carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME ONLY APPROPRIATIONS

Sec. 1001. Funds appropriated in part 1 for federal aid match shall be used to provide funding necessary to ensure the department secures all federal funding made available to the department from the federal highway administration under the infrastructure investment and jobs act, Public Law 117-58.

Sec. 1003. (1) Funds appropriated in part 1 for MI contracting opportunity shall be expended by the department to support activities that enhance the development and availability of contractors or suppliers for the delivery of infrastructure programs that are socially or economically disadvantaged business concerns as defined under section 100002 of the infrastructure investment and jobs act, Public Law 117-58.

(2) A MI contracting opportunity loan fund is created in the department from funds appropriated in part 1. Funds deposited into the fund or money received by the state as repayment of loans are appropriated and shall be available for future loans. At the close of the fiscal year, any unencumbered funds remaining in the fund shall be carried forward into the succeeding fiscal year.

(3) The MI contracting opportunity loan fund may support, but is not limited to, the following department programs:

- (a) Small business lending program.
- (b) Mega projects small business lending program.

(4) The department shall develop MI contracting opportunity program goals, objectives, and strategies in consultation with the Michigan infrastructure office.

Sec. 1101. From the funds appropriated in part 1 for air service/airport revitalization, \$6,000,000.00 is appropriated to the department for grant funding to airports in this state as follows:

- (a) \$2,000,000.00 for air service development, air service connectivity, and service retention.

(b) \$4,000,000.00 for capital development projects at general aviation airports in this state. Capital development projects include obstruction removal, pavement rehabilitation, fuel facility construction, and terminal improvements.

Sec. 1102. From the funds appropriated in part 1 for Lake Michigan car ferry, \$2,000,000.00 shall be used for decarbonization planning and implementation of clean-energy maritime technology on the S.S. Badger.

Sec. 1104. (1) From the funds appropriated in part 1 for local road and material research program, the department shall establish a local road and material research program with the purpose of promoting and funding applied research related to road and bridge preservation on the local road system, including research into innovative materials and processes.

(2) The program shall be administered by a local road agency research board consisting of representatives of local road agencies, the department, and a state university with a college of engineering.

(3) Research project proposals may be submitted by local road agencies and state university engineering faculty. Grants must be awarded through a competitive grant application process. Projects must be selected for inclusion in the program subject to available funding and according to criteria established by the local road agency research board.

Sec. 1105. (1) From the one-time funds appropriated in part 1 for new technology and mobility, \$23,950,000.00 is appropriated to the department to be used as follows:

(a) \$7,500,000.00 for implementation of aerial mobility and drone infrastructure projects, including drone hubs, drone ports, and last mile delivery.

(b) \$6,000,000.00 for Michigan mobility funding platform and mobility public-private partnership and programming projects.

(c) \$4,500,000.00 for an inductive charging pilot project.

(d) \$3,000,000.00 for shared streets and spaces.

(e) \$2,950,000.00, if House Bill No. 4491 of the 102nd Legislature is enacted into law, for a Michigan e-bike purchase incentive program to implement House Bill No. 4491.

(2) The appropriation in subsection (1)(c) for inductive charging pilot project must be used to support the expansion of fleet operations by addressing limited range, higher costs, and operational challenges associated with electric vehicles. The department shall evaluate the operations and effectiveness of the inductive charging infrastructure, measure the environmental benefits, measure the impact on the local energy distribution grid, and develop best practices and exportable strategies that may encourage the adoption of both the wireless charging technology and electric fleet vehicles across this state. As a part of this program, the department must consider projects that involve a collaboration between a static and dynamic inductive charging provider, a state research university, at least 1 public transit agency or fleet operator, and at least 1 electric utility or energy provider.

(3) From the appropriation in subsection (1)(d) for shared streets and spaces, the department shall establish and administer a shared streets and spaces grant program to provide grant funding, as provided in this section, to municipalities and public transit agencies to implement improvements to plazas, sidewalks, curbs, streets, bus stops, parking areas, and other public spaces in support of public health, safe mobility, and strengthened commerce. The funds described in this subsection are appropriated for grants for new or improved bicycle and pedestrian infrastructure intended to increase safety and convenience of biking and walking. Eligible projects include any of the following:

(a) New or improved pedestrian crossings, including new paint, shortened crossings, better ramps, or refuge islands.

(b) Pedestrian signal upgrades at intersections or mid-block crossings.

(c) Bike lanes.

(d) Trails or shared-use path connections.

(e) At-grade rail crossing improvements for bicyclists and pedestrians.

(f) Bicycle parking.

(g) Pedestrian or bicyclist lighting.

(h) Pedestrian or bicyclist wayfinding.

(i) New bikeshare equipment.

(j) Bicycle-friendly drain grates.

(4) Grants for projects under the shared streets and spaces grant program described under subsection (3) may be awarded up to \$200,000.00 per project to any municipality or public transit agency.

(5) Projects funded through the shared streets and spaces grant program described under subsection (3) must be established under a grant agreement that does both of the following:

(a) Outlines milestones and activities that must be met in order to receive a disbursement of funds.

(b) Identifies measurable project outcomes.

(6) In implementing the appropriations in this section, the department shall work with the office of future mobility and electrification.

(7) As used in this section:

(a) “Municipality” means an incorporated city.

(b) “Public transit agency” means an eligible authority or eligible governmental agency as those terms are defined in section 10c of 1951 PA 51, MCL 247.660c.

Sec. 1106. (1) From the funds appropriated in part 1 for school zone automated speed enforcement pilot project, the department shall develop and implement an automated school zone speed enforcement pilot project. The purpose of the project is to determine the effectiveness of automated speed enforcement technology combined with a public education and information campaign.

(2) In implementing the pilot project program under this section, the department shall partner with a private industry consultant. The private industry consultant shall do all of the following:

(a) Partner with a local police agency and local municipality.

(b) Adhere to national Criminal Justice Information Services guidelines.

(c) Have facilities and practices audited annually.

(d) Have a strategic partnership with the National Law Enforcement Telecommunication System (NLETS).

(3) The department shall submit a report on the pilot project to the standard report recipients not later than 60 days after project completion. The report must include a description of project methodology, findings, and recommendations.

Sec. 1107. From the funds appropriated in part 1 for supplier risk and information subscription, the department shall use not less than \$50,000.00 for a comprehensive supplier risk and information subscription service for precontract risk assessment.

Sec. 1108. By not later than September 30, 2025, the department shall provide to the senate and house transportation committees and the standard report recipients a list of projects from across this state and within the 2025 construction season that benefited from the incorporation of best environmental practices, including, but not limited to, the use of bioswales, biofilters, and other vegetated channels.

Sec. 1109. By not later than September 30, 2025, the department shall provide to the senate and house transportation committees and the standard report recipients the newly aligned complete streets policy as adopted by the state transportation commission.

Sec. 1110. From the funds appropriated in part 1 for ARP – One-time local bus operating, the department shall distribute funds to eligible authorities and eligible governmental agencies as those terms are defined in section 10c of 1951 PA 51, MCL 247.660c, in accordance with the provisions of section 10e(4)(a) of 1951 PA 51, MCL 247.660e.

Sec. 1111. (1) Funds appropriated in part 1 for critical infrastructure projects shall be expended for infrastructure projects and are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to fund critical infrastructure projects.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$74,500,000.00.
- (d) The tentative completion date is September 30, 2029.
- (2) The part 1 appropriation for critical infrastructure projects must be expended for the following:
 - (a) \$1,000,000.00 for a road project to a city with a population between 2,300 and 2,310 located in a county with a population between 10,800 and 10,900 according to the latest federal decennial census.
 - (b) \$2,200,000.00 for a tunnel to a township with a population between 4,100 and 4,110 according to the latest federal decennial census located in a county with a population between 26,000 and 27,000 according to the latest federal decennial census.
 - (c) \$5,000,000.00 for a road project to a city with a population between 25,170 and 25,180 according to the latest federal decennial census.
 - (d) \$5,000,000.00 to the local grade separation fund created in section 11i of 1951 PA 51, MCL 247.661i.
 - (e) \$4,000,000.00 for road projects to a city with a population between 14,720 and 14,730 according to the latest federal decennial census.
 - (f) \$4,000,000.00 for a road project to a county with a population between 79,000 and 80,000 according to the latest federal decennial census.
 - (g) \$1,000,000.00 to a regional public transportation provider serving not fewer than 3 counties with a combined population of over 2,000,000 according to the latest federal decennial census for bus stops and bus shelters along M-102 between Mound Road and Kelly Road, M-97 between 8 Mile Road and Gratiot, and M-53 along the Van Dyke corridor.
 - (h) \$2,320,000.00 for road repairs to a township with a population between 20,020 and 20,030 according to the latest federal decennial census.
 - (i) \$980,000.00 for road and intersection improvements to a city with a population between 16,400 and 16,500 according to the latest federal decennial census.
 - (j) \$6,600,000.00 for a pump station and roadway rehabilitation to a city with a population between 47,700 and 47,800 according to the latest federal decennial census.
 - (k) \$2,000,000.00 for a bridge over a creek to a county with a population above 1,700,000 according to the latest federal decennial census.
 - (l) \$2,000,000.00 for a bridge over a creek to a county with a population above 1,700,000 according to the latest federal decennial census.
 - (m) \$3,000,000.00 for a road reconstruction to a city with a population between 34,000 and 35,000 according to the latest federal decennial census.
 - (n) \$3,000,000.00 to the department for a noise study of the M-14 corridor in Ann Arbor, Michigan.
 - (o) \$4,000,000.00 for road repairs to a city with a population between 76,600 and 76,700 according to the latest federal decennial census.
 - (p) \$5,000,000.00 for street maintenance and cleanup to a city with a population greater than 600,000 according to the latest federal decennial census.
 - (q) \$1,500,000.00 for a road project to a county with a population between 280,000 and 290,000 according to the latest federal decennial census.
 - (r) \$2,400,000.00 for street repairs to a city with a population between 45,200 and 47,800 according to the latest federal decennial census in a county with a population between 284,000 and 285,000 according to the latest federal decennial census.
 - (s) \$3,250,000.00 for the repair of Palmer Road bridge over I-275 to a county with a population greater than 1,700,000 according to the latest federal decennial census.
 - (t) \$750,000.00 for a park improvement to a city with a population between 4,000 and 4,100 according to the latest federal decennial census in a county with a population greater than 1,700,000 according to the latest federal decennial census.
 - (u) \$1,500,000.00 for sidewalk and alley repairs to a city with a population between 28,400 and 28,500 according to the latest federal decennial census in a county with a population greater than 1,700,000 according to the latest federal decennial census.
 - (v) \$1,000,000.00 for streetscapes to a city with a population between 85,400 and 85,500 according to the latest federal decennial census in a county with a population greater than 1,700,000 according to the latest federal decennial census.

- (w) \$2,500,000.00 for road reconstruction to a county with a population between 880,000 and 900,000 according to the latest federal decennial census.
- (x) \$750,000.00 for a drain improvement project to a city with a total population between 6,110 and 6,120 according to the latest federal decennial census.
- (y) \$500,000.00 for pedestrian pathway improvements to a city with a combined population between 109,000 and 110,000 according to the latest federal decennial census in a county with a population greater than 1,700,000 according to the latest federal decennial census.
- (z) \$500,000.00 to the department to improve the safety of exit ramps on M-14 in Ann Arbor, Michigan.
- (aa) \$750,000.00 for intersection safety improvements to a city with a population between 4,000 and 4,100 according to the latest federal decennial census in a county with a population greater than 1,700,000 according to the latest federal decennial census.
- (bb) \$500,000.00 for sidewalk repair and maintenance to a city with a population greater than 600,000 according to the latest federal decennial census.
- (cc) \$6,500,000.00 to the department for construction of a soundwall in Southgate.
- (dd) \$1,000,000.00 for road repair to a city with a population between 25,170 and 25,180 according to the latest federal decennial census.

ARTICLE 16
SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2023-2024
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies, the executive office, the judiciary, and the legislature to supplement appropriations for the fiscal year ending September 30, 2024, from the following funds:

APPROPRIATION SUMMARY	
Full-time equated classified positions	15.1
GROSS APPROPRIATION	\$ 2,495,276,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	
ADJUSTED GROSS APPROPRIATION	\$ 2,495,276,800
Federal revenues:	
Total federal revenues	1,035,056,700
Special revenue funds:	
Total local revenues	44,315,500
Total private revenues	7,560,700
Total other state restricted revenues	951,641,500
ARP HCBS match revenue - state general fund/general purpose	\$ 10,000,000
State general fund/general purpose	\$ 446,702,400

Sec. 102. DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 5,780,100
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	
ADJUSTED GROSS APPROPRIATION	\$ 5,780,100
Federal revenues:	
Total federal revenues	5,000,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 780,100
(2) ANIMAL INDUSTRY	
Animal disease prevention and response	\$ 5,000,000
GROSS APPROPRIATION	\$ 5,000,000
Appropriated from:	
Federal revenues:	
USDA, multiple grants	5,000,000
State general fund/general purpose	\$ 0
(3) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 780,100
GROSS APPROPRIATION	\$ 780,100

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
State general fund/general purpose	\$ 780,100
Sec. 103. DEPARTMENT OF ATTORNEY GENERAL	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 563,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 563,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 563,000
(2) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 563,000
GROSS APPROPRIATION	\$ 563,000
Appropriated from:	
State general fund/general purpose	\$ 563,000
Sec. 104. CAPITAL OUTLAY	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 500
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 500
(2) STATE AGENCY AND COMMUNITY COLLEGE PLANNING AUTHORIZATIONS	
Bay de Noc Community College – Manufacturing Hub and Safety Training Center (total authorized cost \$1,875,000; state share \$937,500; college share \$937,500)	\$ 100
Monroe County Community College – Renovation and addition to Welch Health Education Building (HEB) (total authorized cost \$21,864,400; state share \$10,932,200; college share \$10,932,200)	100
Michigan State Capitol Commission – Park Michigan (total authorized cost \$25,000,000; state building authority share \$24,999,900; state general fund/general purpose share \$100)	100
GROSS APPROPRIATION	\$ 300
Appropriated from:	
State general fund/general purpose	\$ 300
(3) COMMUNITY COLLEGE CONSTRUCTION AUTHORIZATIONS	
Delta College – Information technology and computer science (k wing) renovation (total authorized cost \$6,725,900; state building authority share \$2,423,000; Delta College share \$4,302,700; state general fund/general purpose share \$200)	\$ 100
C. S. Mott Community College – Pahl college center renovation (total authorized cost \$32,500,000; state building authority share \$12,499,800; C. S. Mott Community College share \$20,000,000; state general fund/general purpose share \$200)	100
GROSS APPROPRIATION	\$ 200

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
State general fund/general purpose	\$ 200
Sec. 105. DEPARTMENT OF CIVIL RIGHTS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 209,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 209,300
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 209,300
(2) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 209,300
GROSS APPROPRIATION	\$ 209,300
Appropriated from:	
State general fund/general purpose	\$ 209,300
Sec. 106. DEPARTMENT OF CORRECTIONS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 12,077,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 12,077,000
Federal revenues:	
Total federal revenues	36,000,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ (23,923,000)
(2) CORRECTIONAL FACILITIES	
Alger Correctional Facility - Munising	\$ 0
Baraga Correctional Facility - Baraga	0
Bellamy Creek Correctional Facility - Ionia	0
Carson City Correctional Facility - Carson City	0
Central Michigan Correctional Facility - St. Louis	0
Charles E. Egeler Correctional Facility - Jackson	0
Chippewa Correctional Facility - Kincheloe	0
Cooper Street Correctional Facility - Jackson	0
Detroit Detention Center	0
Earnest C. Brooks Correctional Facility - Muskegon	0
G. Robert Cotton Correctional Facility - Jackson	0
Gus Harrison Correctional Facility - Adrian	0
Ionia Correctional Facility - Ionia	0
Kinross Correctional Facility - Kincheloe	0
Lakeland Correctional Facility - Coldwater	0
Macomb Correctional Facility - New Haven	0
Marquette Branch Prison - Marquette	0
Muskegon Correctional Facility - Muskegon	0
Newberry Correctional Facility - Newberry	0

	For Fiscal Year Ending Sept. 30, 2024	
Oaks Correctional Facility - Eastlake	\$	0
Parnall Correctional Facility - Jackson		0
Richard A. Handlon Correctional Facility - Ionia		0
Saginaw Correctional Facility - Freeland		0
Special Alternative Incarceration Program - Jackson		0
St. Louis Correctional Facility - St. Louis		0
Thumb Correctional Facility - Lapeer		0
Womens Huron Valley Correctional Complex - Ypsilanti		0
Woodland Correctional Facility - Whitmore Lake		0
Northern region administration and support		0
Southern region administration and support		0
GROSS APPROPRIATION	\$	0
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		36,000,000
State general fund/general purpose	\$	(36,000,000)
(3) ONE-TIME APPROPRIATIONS		
Employee lump-sum payments		12,077,000
GROSS APPROPRIATION	\$	12,077,000
Appropriated from:		
State general fund/general purpose	\$	12,077,000
Sec. 107. DEPARTMENT OF EDUCATION		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	35,121,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	35,121,200
Federal revenues:		
Total federal revenues		34,812,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	309,200
(2) MICHIGAN OFFICE OF GREAT START		
Child development and care public assistance	\$	34,812,000
GROSS APPROPRIATION	\$	34,812,000
Appropriated from:		
Federal revenues:		
Federal funds		34,812,000
State general fund/general purpose	\$	0
(3) ONE-TIME APPROPRIATIONS		
Employee lump-sum payments	\$	309,200
GROSS APPROPRIATION	\$	309,200
Appropriated from:		
State general fund/general purpose	\$	309,200
Sec. 108. DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions	2.0	
GROSS APPROPRIATION	\$	195,133,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	195,133,100

	For Fiscal Year Ending Sept. 30, 2024
Federal revenues:	
Total federal revenues	\$ 192,794,200
Special revenue funds:	
Total local revenues	0
Total private revenues	462,000
Total other state restricted revenues	874,000
State general fund/general purpose	\$ 1,002,900
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Executive direction	\$ 157,467,000
GROSS APPROPRIATION	\$ 157,467,000
Appropriated from:	
Federal revenues:	
Federal funds	1,267,000
Inflation reduction act	156,200,000
State general fund/general purpose	\$ 0
(3) WATER RESOURCES DIVISION	
Federal – Great Lakes remedial action plan grants	\$ 992,000
Water quality programs	3,298,000
Water resource programs	475,000
GROSS APPROPRIATION	\$ 4,765,000
Appropriated from:	
Federal revenues:	
Inflation reduction act	175,000
Infrastructure investment and jobs act fund	3,716,000
Special revenue funds:	
Aquifer protection revolving fund	524,000
Water use reporting fees	350,000
State general fund/general purpose	\$ 0
(4) AIR QUALITY DIVISION	
Air quality programs	\$ 1,587,200
GROSS APPROPRIATION	\$ 1,587,200
Appropriated from:	
Federal revenues:	
Inflation reduction act	1,587,200
State general fund/general purpose	\$ 0
(5) MATERIALS MANAGEMENT DIVISION	
Full-time equated classified positions	2.0
Energy programs—FTEs	2.0\$ 22,663,000
Material management programs	693,000
GROSS APPROPRIATION	\$ 23,356,000
Appropriated from:	
Federal revenues:	
Federal funds	22,531,000
Inflation reduction act	363,000
Special revenue funds:	
Private funds	462,000
State general fund/general purpose	\$ 0
(6) OIL, GAS, AND MINERALS DIVISION	
Oil, gas, and mineral services	\$ 6,955,000
GROSS APPROPRIATION	\$ 6,955,000
Appropriated from:	
Federal revenues:	
Inflation reduction act	5,025,000
Infrastructure investment and jobs act fund	1,930,000
State general fund/general purpose	\$ 0

	For Fiscal Year Ending Sept. 30, 2024
(7) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 1,002,900
Sustainable business park	(5,000,000)
Waste diversion accelerator program	5,000,000
GROSS APPROPRIATION	\$ 1,002,900
Appropriated from:	
State general fund/general purpose	\$ 1,002,900
Sec. 109. EXECUTIVE OFFICE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 167,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 167,900
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 167,900
(2) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 167,900
GROSS APPROPRIATION	\$ 167,900
Appropriated from:	
State general fund/general purpose	\$ 167,900
Sec. 110. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 1,582,699,400
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 1,582,699,400
Federal revenues:	
Total federal revenues	533,329,900
Special revenue funds:	
Total local revenues	44,315,400
Total private revenues	3,498,600
Total other state restricted revenues	785,929,000
ARP HCBS match revenue - state general fund/general purpose	\$ 10,000,000
State general fund/general purpose	\$ 205,626,500
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Administrative hearings officers	\$ 0
Departmental administration and management	2,282,400
Office of inspector general	1,114,200
Property management	0
GROSS APPROPRIATION	\$ 3,396,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	(100,000)
Federal revenues:	
Total other federal revenues	3,396,600
State general fund/general purpose	\$ 100,000
(3) COMMUNITY SERVICES AND OUTREACH	
Community services and outreach administration	\$ 321,600
Community services block grant	9,907,500
Weatherization assistance	1,355,300
GROSS APPROPRIATION	\$ 11,584,400

	For Fiscal Year Ending Sept. 30, 2024
Appropriated from:	
Federal revenues:	
Capped federal revenues	\$ 11,262,800
Total other federal revenues	321,600
State general fund/general purpose	\$ 0
(4) CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
Adoption subsidies	\$ 3,886,900
Attorney general contract	0
Child care fund	2,164,800
Child welfare field staff – noncaseload compliance	1,352,300
Child welfare licensing	0
Children's protective services supervisors	1,178,200
Children's services administration	0
Children's trust fund	130,000
Contractual services, supplies, and materials	0
Foster care payments	10,547,300
Foster care services – caseload staff	0
Guardianship assistance program	(91,300)
Peer coaches	0
Prosecuting attorney contracts	0
Second line supervisors and technical staff	488,200
Strong families/safe children	(1,000,000)
Youth in transition	0
GROSS APPROPRIATION	\$ 18,656,400
Appropriated from:	
Federal revenues:	
Capped federal revenues	(1,000,000)
Social security act, temporary assistance for needy families	(4,228,800)
Total other federal revenues	(7,484,900)
Special revenue funds:	
Local funds – county chargeback	(1,445,500)
State general fund/general purpose	\$ 32,815,600
(5) CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
Bay pines center	\$ 159,500
Juvenile justice, administration and maintenance	61,900
Shawono center	123,700
GROSS APPROPRIATION	\$ 345,100
Appropriated from:	
State general fund/general purpose	\$ 345,100
(6) PUBLIC ASSISTANCE	
Family independence program	\$ (2,279,500)
Food assistance program benefits	(1,250,161,600)
Low-income home energy assistance program	46,339,800
State disability assistance payments	785,800
State supplementation	(820,400)
GROSS APPROPRIATION	\$ (1,206,135,900)
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	25,190,800
Capped federal revenues	16,339,800
Total other federal revenues	(1,250,161,600)
Special revenue funds:	
Supplemental security income recoveries	(2,894,100)
State general fund/general purpose	\$ 5,389,200

	For Fiscal Year Ending Sept. 30, 2024
(7) LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES	
Administrative support workers	\$ 198,500
Adult services local office staff	1,672,900
Contractual services, supplies, and materials	0
Donated funds positions	0
Local office policy and administration	837,600
Pathways to potential	654,200
Public assistance local office staff	15,062,400
GROSS APPROPRIATION	\$ 18,425,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	550,000
Federal revenues:	
Capped federal revenues	500,000
Social security act, temporary assistance for needy families	(500,000)
Total other federal revenues	7,195,200
State general fund/general purpose	\$ 10,680,400
(8) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
Behavioral health program administration	\$ (539,900)
Family support subsidy	2,940,400
Michigan clinical consultation and care	679,900
GROSS APPROPRIATION	\$ 3,080,400
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	2,940,400
Total other federal revenues	77,000
State general fund/general purpose	\$ 63,000
(9) BEHAVIORAL HEALTH SERVICES	
Autism services	\$ 16,327,300
Certified community behavioral health clinic demonstration	19,153,800
Healthy Michigan plan – behavioral health	(52,581,700)
Medicaid mental health services	231,571,200
Medicaid substance use disorder services	(3,114,500)
Nursing home PAS/ARR-OBRA	2,000,000
GROSS APPROPRIATION	\$ 213,356,100
Appropriated from:	
Federal revenues:	
Total other federal revenues	111,232,900
Special revenue funds:	
Total other state restricted revenues	37,557,400
State general fund/general purpose	\$ 64,565,800
(10) STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES	
Center for forensic psychiatry	\$ 1,206,300
Revenue recapture	53,829,200
Walter P. Reuther Psychiatric Hospital - adult	216,100
GROSS APPROPRIATION	\$ 55,251,600
Appropriated from:	
State general fund/general purpose	\$ 55,251,600
(11) HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
Policy and planning administration	\$ 50,000
GROSS APPROPRIATION	\$ 50,000
Appropriated from:	
State general fund/general purpose	\$ 50,000

For Fiscal Year
Ending Sept. 30,
2024

(12) FAMILY HEALTH SERVICES

Full-time equated classified positions	(3.0)	
Child and adolescent health care and centers		\$ 45,000,000
Dental programs		2,500,000
Special projects		200,000
Women, infants, and children program administration and special projects—FTEs	(3.0)	0
Women, infants, and children program local agreements and food costs		20,000,000
GROSS APPROPRIATION		\$ 67,700,000
Appropriated from:		
Federal revenues:		
Total other federal revenues		20,200,000
Special revenue funds:		
Total local revenues		45,000,000
State general fund/general purpose		\$ 2,500,000

(13) CHILDREN'S SPECIAL HEALTH CARE SERVICES

Full-time equated classified positions	3.0	
Bequests for care and services—FTEs	7.0	\$ 0
Children's special health care services administration—FTEs	(4.0)	500,000
Medical care and treatment		27,689,600
GROSS APPROPRIATION		\$ 28,189,600
Appropriated from:		
Federal revenues:		
Total other federal revenues		43,700
Special revenue funds:		
Total private revenues		(600)
State general fund/general purpose		\$ 28,146,500

(14) AGING SERVICES

Community services	\$	2,200,000
Nutrition services		1,950,000
Respite care program		800,000
GROSS APPROPRIATION	\$	4,950,000
Appropriated from:		
Federal revenues:		
Total other federal revenues		4,150,000
Special revenue funds:		
Total other state restricted revenues		800,000
State general fund/general purpose	\$	0

(15) HEALTH AND AGING SERVICES ADMINISTRATION

Aging services administration	\$	66,400
Health services administration		185,000
GROSS APPROPRIATION	\$	251,400
Appropriated from:		
State general fund/general purpose	\$	251,400

(16) HEALTH SERVICES

Adult home help services	\$	23,179,300
Ambulance services		1,508,700
Auxiliary medical services		(830,000)
Dental services		(45,567,900)
Federal Medicare pharmaceutical program		50,994,900
Health plan services		1,318,665,300
Healthy Michigan plan		763,163,100
Home health services		(1,772,900)

	For Fiscal Year Ending Sept. 30, 2024
Hospice services	\$ 36,179,100
Hospital disproportionate share payments	(45,000,000)
Hospital services and therapy	(209,345,900)
Integrated care organizations	(19,708,200)
Long-term care services	353,189,700
Maternal and child health	8,059,000
Medicaid home- and community-based services waiver	5,951,400
Medicare premium payments	(13,974,400)
Personal care services	(929,700)
Pharmaceutical services	32,082,200
Physician services	40,889,800
Plan first	(3,683,900)
Program of all-inclusive care for the elderly	(4,612,400)
School-based services	11,222,700
Special Medicaid reimbursement	(1,535,400)
Transportation	2,218,300
GROSS APPROPRIATION	\$ 2,300,342,800
Appropriated from:	
Federal revenues:	
Total other federal revenues	1,554,173,400
Special revenue funds:	
Total local revenues	760,900
Total private revenues	2,799,200
Total other state restricted revenues	747,965,700
State general fund/general purpose	\$ (5,356,400)
(17) INFORMATION TECHNOLOGY	
Bridges information system	\$ 0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education	(450,000)
State general fund/general purpose	\$ 450,000
(18) ONE-TIME APPROPRIATIONS	
ARP - epidemiology and lab capacity genomic sequencing	\$ 3,308,800
ARP - home - and community-based services projects fund	20,000,000
ARP - strengthening U.S. public health infrastructure, workforce, and data systems	7,798,600
Child support enforcement enhancements	6,413,900
Child support navigator pilot	2,100,000
CMHSP supplemental retroactive payment	5,374,300
COVID – influenza population-based hospital surveillance	344,400
COVID-19 national wastewater surveillance system	3,704,400
Federal COVID emerging infections programs	4,852,200
Federal COVID immunization and vaccine grant	1,858,700
Jail diversion fund	2,500,000
Maternal-fetal medicine programming	(8,000,000)
Maternal-fetal medicine programming	8,000,000
Mobile mammography	(1,000,000)
Mobile mammography	1,000,000
Reproductive health access expansion	5,000,000
Substance use rehabilitation services	(3,500,000)
Substance use rehabilitation services	3,500,000
GROSS APPROPRIATION	\$ 63,255,300

	For Fiscal Year Ending Sept. 30, 2024	
Appropriated from:		
Federal revenues:		
Capped federal revenues	\$	6,413,900
Total other federal revenues		33,267,100
Special revenue funds:		
Total private revenues		700,000
Total other state restricted revenues		2,500,000
ARP HCBS match revenue - state general fund/general purpose	\$	10,000,000
State general fund/general purpose	\$	10,374,300
Sec. 111. JUDICIARY		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions	0.5	
GROSS APPROPRIATION	\$	2,071,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	2,071,400
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	2,071,400
(2) SUPREME COURT		
Full-time equated classified positions	0.5	
State court administrative office—FTEs	0.5	\$ 237,500
GROSS APPROPRIATION	\$	237,500
Appropriated from:		
State general fund/general purpose	\$	237,500
(3) COURT OF APPEALS		
Court of appeals operations	\$	765,000
GROSS APPROPRIATION	\$	765,000
Appropriated from:		
State general fund/general purpose	\$	765,000
(4) ONE-TIME APPROPRIATIONS		
Employee lump-sum payments	\$	1,068,900
GROSS APPROPRIATION	\$	1,068,900
Appropriated from:		
State general fund/general purpose	\$	1,068,900
Sec. 112. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions	4.6	
GROSS APPROPRIATION	\$	543,159,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	543,159,400
Federal revenues:		
Total federal revenues		226,650,500
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		154,582,000
State general fund/general purpose	\$	161,926,900

	For Fiscal Year Ending Sept. 30, 2024
(2) REHABILITATION SERVICES	
Bureau of services for blind persons	\$ 5,000,000
GROSS APPROPRIATION	\$ 5,000,000
Appropriated from:	
Federal revenues:	
DED, vocational rehabilitation and independent living	5,000,000
State general fund/general purpose	\$ 0
(3) EMPLOYMENT SERVICES	
Full-time equated classified positions	4.6
First responder presumed coverage claims	\$ 2,000,000
Office of global Michigan	28,064,500
Radiation safety section—FTEs	4.6 582,000
GROSS APPROPRIATION	\$ 30,646,500
Appropriated from:	
Federal revenues:	
HHS, refugee assistance program fund	28,064,500
Special revenue funds:	
First responder presumed coverage fund	2,000,000
Radiological health fees	582,000
State general fund/general purpose	\$ 0
(4) ONE-TIME APPROPRIATIONS	
ARP - housing and community development fund	\$ 50,000,000
ARP - missing middle gap program	110,000,000
Community and worker economic transition fund pilot	8,600,000
Critical industry program	68,000,000
Digital equity capacity grant	20,586,000
Employee lump-sum payments	727,000
Housing readiness incentive grant program	1,000,000
Job creation services	2,000,000
Michigan strategic site readiness program	29,000,000
Mobility hub pilot	11,000,000
<i>Saunders v. unemployment insurance agency settlement</i>	55,000,000
Symphony economic recovery grants	1,599,900
Targeted energy investment	150,000,000
GROSS APPROPRIATION	\$ 507,512,900
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	160,000,000
Federal funds	33,586,000
Special revenue funds:	
Contingent fund, penalty and interest account	55,000,000
Strategic outreach and attraction reserve fund	97,000,000
State general fund/general purpose	\$ 161,926,900
Sec. 113. LEGISLATURE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 3,331,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 3,331,200
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0

	For Fiscal Year Ending Sept. 30, 2024
Total private revenues	\$ 0
Total other state restricted revenues	0
State general fund/general purpose	\$ 3,331,200
(2) LEGISLATIVE COUNCIL	
Independent citizens redistricting commission	\$ 3,331,200
Sentencing commission	(1,000,000)
GROSS APPROPRIATION	\$ 2,331,200
Appropriated from:	
State general fund/general purpose	\$ 2,331,200
(3) ONE-TIME APPROPRIATIONS	
Actuarially determined contribution – legislative retirement system	\$ 900,000
House of representatives internship program	50,000
Interpreter services	50,000
GROSS APPROPRIATION	\$ 1,000,000
Appropriated from:	
State general fund/general purpose	\$ 1,000,000
Sec. 114. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 511,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 511,200
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 511,200
(2) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 511,200
GROSS APPROPRIATION	\$ 511,200
Appropriated from:	
State general fund/general purpose	\$ 511,200
Sec. 115. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 3,796,700
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 3,796,700
Federal revenues:	
Total federal revenues	750,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 3,046,700
(2) MILITARY	
Headquarters and armories	\$ 2,105,000
National guard tuition assistance fund	(5,500,000)
GROSS APPROPRIATION	\$ (3,395,000)
Appropriated from:	
State general fund/general purpose	\$ (3,395,000)

	For Fiscal Year Ending Sept. 30, 2024
(3) MICHIGAN VETERANS AFFAIRS AGENCY	
Michigan veterans affairs agency administration	\$ 750,000
GROSS APPROPRIATION	\$ 750,000
Appropriated from:	
Federal revenues:	
USDVA-VHA	750,000
State general fund/general purpose	\$ 0
(4) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 2,091,700
Special maintenance – National Guard	4,350,000
GROSS APPROPRIATION	\$ 6,441,700
Appropriated from:	
State general fund/general purpose	\$ 6,441,700
Sec. 116. DEPARTMENT OF NATURAL RESOURCES	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 6,461,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 6,461,900
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	3,600,000
Total other state restricted revenues	0
State general fund/general purpose	\$ 2,861,900
(2) PARKS AND RECREATION DIVISION	
Nature awaits	\$ (4,000,000)
GROSS APPROPRIATION	\$ (4,000,000)
Appropriated from:	
State general fund/general purpose	\$ (4,000,000)
(3) ONE-TIME APPROPRIATIONS	
Brandon Road Lock and Dam	\$ 1,500,000
Decree negotiations	2,300,000
Employee lump-sum payments	561,900
Great Lakes research vessel	2,500,000
Straits State Park interpretive site	3,600,000
GROSS APPROPRIATION	\$ 10,461,900
Appropriated from:	
Special revenue funds:	
Private funds	3,600,000
State general fund/general purpose	\$ 6,861,900
Sec. 117. DEPARTMENT OF STATE	
(1) APPROPRIATION SUMMARY	
Full-time equated classified positions	8.0
GROSS APPROPRIATION	\$ 7,808,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 7,808,800
Federal revenues:	
Total federal revenues	5,720,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	1,146,500
State general fund/general purpose	\$ 942,300

	For Fiscal Year Ending Sept. 30, 2024	
(2) CUSTOMER DELIVERY SERVICES		
Central operations	\$	1,146,500
GROSS APPROPRIATION	\$	1,146,500
Appropriated from:		
Special revenue funds:		
Transportation administration collection fund		1,146,500
State general fund/general purpose	\$	0
(3) ELECTION REGULATION		
Full-time equated classified positions	8.0	
Election administration and services—FTEs	8.0\$	831,900
Help America Vote Act		5,720,000
GROSS APPROPRIATION	\$	6,551,900
Appropriated from:		
Federal revenues:		
Help America Vote Act – election security		5,720,000
State general fund/general purpose	\$	831,900
(4) ONE-TIME APPROPRIATIONS		
Employee lump-sum payments	\$	110,400
GROSS APPROPRIATION	\$	110,400
Appropriated from:		
State general fund/general purpose	\$	110,400
Sec. 118. DEPARTMENT OF STATE POLICE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	23,744,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	23,744,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		8,000,000
State general fund/general purpose	\$	15,744,000
(2) LAW ENFORCEMENT		
Biometrics and identification	\$	600,000
Criminal justice information center		4,900,000
GROSS APPROPRIATION	\$	5,500,000
Appropriated from:		
Special revenue funds:		
Criminal justice information center service fees		5,500,000
State general fund/general purpose	\$	0
(3) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	2,500,000
GROSS APPROPRIATION	\$	2,500,000
Appropriated from:		
Special revenue funds:		
Criminal justice information center service fees		2,500,000
State general fund/general purpose	\$	0
(4) ONE-TIME APPROPRIATIONS		
Disaster and emergency contingency fund	\$	10,000,000
Emergency alert system upgrades		(1,500,000)
Emergency alert system upgrades		1,500,000

	For Fiscal Year Ending Sept. 30, 2024
Employee lump-sum payments	\$ 5,244,000
Hazard mitigation assistance loan program	500,000
GROSS APPROPRIATION	\$ 15,744,000
Appropriated from:	
State general fund/general purpose	\$ 15,744,000
Sec. 119. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 4,265,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 4,265,900
Federal revenues:	
Total federal revenues	100
Special revenue funds:	
Total local revenues	100
Total private revenues	100
Total other state restricted revenues	0
State general fund/general purpose	\$ 4,265,600
(2) ONE-TIME APPROPRIATIONS	
Digital nondiscrimination federal compliance	\$ 3,000,000
Employee lump-sum payments	1,265,600
Make it in Michigan	300
GROSS APPROPRIATION	\$ 4,265,900
Appropriated from:	
Federal revenues:	
Federal funds	100
Special revenue funds:	
Local funds	100
Private funds	100
State general fund/general purpose	\$ 4,265,600
Sec. 120. DEPARTMENT OF TRANSPORTATION	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 8,373,600
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 8,373,600
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 8,373,600
(2) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 8,373,600
GROSS APPROPRIATION	\$ 8,373,600
Appropriated from:	
State general fund/general purpose	\$ 8,373,600
Sec. 121. DEPARTMENT OF TREASURY	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 60,001,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 60,001,200

	For Fiscal Year Ending Sept. 30, 2024
Federal revenues:	
Total federal revenues	\$ 0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	1,110,000
State general fund/general purpose	\$ 58,891,200
(2) FINANCIAL PROGRAMS	
Dual enrollment payments	\$ 500,000
GROSS APPROPRIATION	\$ 500,000
Appropriated from:	
State general fund/general purpose	\$ 500,000
(3) BUREAU OF STATE LOTTERY	
Lottery operations	\$ 1,110,000
GROSS APPROPRIATION	\$ 1,110,000
Appropriated from:	
Special revenue funds:	
State lottery fund	1,110,000
State general fund/general purpose	\$ 0
(4) ONE-TIME APPROPRIATIONS	
Employee lump-sum payments	\$ 641,200
Municipal support grants	47,000,000
Presidential primary costs	10,000,000
Special election costs	750,000
GROSS APPROPRIATION	\$ 58,391,200
Appropriated from:	
State general fund/general purpose	\$ 58,391,200

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 sources under part 1 for the fiscal year ending September 30, 2024 is \$1,408,343,900.00 and total state spending from state sources to be paid to local units of government is \$39,250,000.00. The itemized statement below identifies appropriations from which spending to local governments will occur:

DEPARTMENT OF TREASURY	
Municipal support grants	\$ 28,500,000
Presidential primary costs	10,000,000
Special election costs	750,000
TOTAL	\$ 39,250,000

Sec. 202. The appropriations made and expenditures authorized under this part and part 1 and the departments, commissions, boards, offices, and programs for which appropriations are made under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. Funds appropriated in part 1 must be allocated and expended in a manner consistent with federal rules and regulations.

Sec. 204. Funds appropriated in part 1 are subject to applicable federal audit and reporting requirements. Prompt action must be taken if instances of noncompliance are identified, including noncompliance identified in an audit finding. If any instance of noncompliance is identified, including noncompliance identified in an audit finding, the state budget director shall take necessary and immediate action to rectify it. The state budget director shall notify the senate and house appropriations committees and the senate and house fiscal agencies if an instance of noncompliance is identified.

Sec. 205. The state budget director shall report on the status of funds appropriated in part 1, and all funds appropriated related to the coronavirus relief effort, to the senate and house appropriations committees and the senate and house fiscal agencies on a monthly basis until all funds are exhausted.

Sec. 206. From the funds appropriated in part 1 for employee lump-sum payments, the departments and branches to which the funds are appropriated shall expend the funds for costs associated with lump-sum

payments in the current fiscal year as approved by the civil service commission. Departments may make any accounting transactions necessary to effectuate the implementation of these payments within the statewide integrated governmental management application (SIGMA).

Sec. 207. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 208. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.

(f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.

(4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.

(e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.

(7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.

(10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).

(12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.

(13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Sec. 301. The unexpended funds appropriated in part 1 for the animal disease prevention and response program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to respond to the detection of unusual contagious disease events in animals.

(b) The project will be accomplished by employees and contracts.

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

(d) The tentative completion date for the work project is September 30, 2026.

CAPITAL OUTLAY

Sec. 401. For the state building authority financed construction authorizations in part 1 and sections 402 and 403, the legislature hereby determines that the leases of the facilities from the authority are for a public purpose as authorized by 1964 PA 183, MCL 830.411 to 830.425. The legislature approves and authorizes the leases and conveyances of the properties to the state building authority, the state building authority acquiring the facilities and leasing them to this state or the educational institutions, as applicable, and the governor and secretary of state executing the leases for and on behalf of this state pursuant to the requirements of 1964 PA 183, MCL 830.411 to 830.425. Per the requirements of the leases, it is the intent of the legislature to annually appropriate sufficient amounts to pay the rent as obligated pursuant to the leases.

Sec. 402. The cost to construct the department of technology, management, and budget – new comprehensive state public health and environmental science laboratory project, initially authorized for construction in 2022 PA 166, and reauthorized in 2023 PA 321, is hereby increased by \$22,600,000.00 to a new total project cost of \$348,600,000.00 (coronavirus state fiscal recovery fund \$260,000,000.00; state building authority share \$88,600,000.00; state general fund/general purpose share \$0.00).

Sec. 403. The cost to construct the department of technology, management, and budget – new state psychiatric hospital complex project, initially authorized for construction in 2022 PA 166, and reauthorized in 2023 PA 321, is hereby increased by \$7,400,000.00 to a new total project cost of \$383,400,000.00 (coronavirus state fiscal recovery fund \$325,000,000.00; state building authority share \$58,400,000.00; state general fund/general purpose share \$0.00).

DEPARTMENT OF CORRECTIONS

Sec. 501. Revenues appropriated and collected for program and special equipment funds are considered state restricted revenues. The funding must be used for prisoner programming, special equipment, and security projects. Not less than 75% of the funding must be used for prisoner programming. Unexpended funds remaining at the close of the fiscal year do not lapse to the general fund, but must be carried forward and are available for appropriation in subsequent fiscal years.

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Sec. 601. The unexpended funds appropriated in part 1 for oil, gas, and mineral services are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to operators or landowners to properly plug marginal conventional wells and reduce methane emissions as approved by the United States Department of Energy.

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

(c) The total estimated cost of the project is \$5,025,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 602. From the funds appropriated in part 1 for oil, gas, and mineral services, the department is authorized to hire 1.0 limited-term employee to implement the methane emission reduction program.

Sec. 603. The unexpended funds appropriated in part 1 for oil, gas, and mineral services are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to assist the state in obtaining primacy of regulation of Class VI UIC wells and to establish and implement a successful program that follows the safe drinking water act mandate

to protect underground sources of drinking water. As used in this subdivision, “safe drinking water act” means 42 USC 300f to 300j-27.

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

(c) The total estimated cost of the project is \$1,930,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 604. From the funds appropriated in part 1 for oil, gas, and mineral services, the department is authorized to hire 1.0 limited-term employee to implement the UIC Class VI program.

Sec. 605. The unexpended funds appropriated in part 1 for energy programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(a) The purpose of the projects is to provide assistance to this state’s agricultural and rural small business community to improve energy efficiency as approved by the United States Department of Agriculture.

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

(c) The total estimated cost of the project is \$363,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 606. The unexpended funds appropriated in part 1 for water quality programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to address local governments’ infrastructure needs for combined sewer overflows, sanitary sewer overflows, and stormwater management.

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

(c) The total estimated cost of the project is \$2,424,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 607. The unexpended funds appropriated in part 1 for energy programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support construction of hydrogen fueling stations for heavy duty vehicles.

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

(c) The total estimated cost of the project is \$22,300,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 608. The unexpended funds appropriated in part 1 for air quality programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(a) The purpose of the project is to develop, research, and improve air quality and reduce localized pollution and health impacts.

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

(c) The total estimated cost of the project is \$1,587,200.00.

(d) The tentative completion date is September 30, 2028.

Sec. 609. The unexpended funds appropriated in part 1 for executive direction are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support a solar program for low-income households.

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

(c) The total estimated cost of the project is \$156,200,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 610. From the funds appropriated in part 1 for waste diversion acceleration program, not less than \$1,000,000.00 must be granted to a nonprofit incorporated in 1977 whose mission is to develop and operate innovative reuse, recycling, and zero-waste programs that improve the environmental quality of a community located in a county with population of between 350,000 and 400,000 according to the most recent federal decennial census to accelerate waste diversion and support recycling. The remainder of funds must be expended for grants to support waste diversion initiatives, which may include, but are not limited to, circular economy initiatives or opportunities, composting programs, recycling, or other efforts intended to divert waste from waste disposal facilities.

Sec. 611. The department is authorized to hire 3.0 limited-term employees to develop and manage the solar for all programs.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 701. (1) The general funds appropriated in part 1 for ARP – home - and community-based services projects fund shall be deposited into the ARP – home – and community-based services projects fund. The funds deposited in the ARP – home – and community-based services projects fund under this subsection are appropriated and available for expenditure for the purposes described in subsection (2).

(2) From the funds deposited in the ARP – home – and community-based services projects fund under subsection (1), the department shall reimburse providers of supportive housing services for eligible direct services. These funds must be used for services to individuals living in supportive housing who need additional supports to maintain employment and stability, and currently homeless individuals moving into supportive housing with rental support. The funds must be prioritized to households whose children are at risk of being placed in out-of-home care, households who are working toward reunification with children who are out of home, and youth aging out of the foster care system.

(3) Funds appropriated for ARP – home – and community-based services projects fund are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide funding for grants for eligible entities to provide permanent supportive housing services for eligible households.

(b) The project will be accomplished through partnerships with community-based agencies that provide supportive housing services, the Michigan state housing development authority, and local governments.

(c) The total estimated cost of the project is \$20,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 702. (1) From the funds appropriated in part 1 for child support navigator pilot, the department shall allocate \$2,100,000.00 to fund a pilot program designed to assist families served by the child support program. The pilot program must provide families with information and resources to help them address child support issues and to connect them with other resources in the community.

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

(a) The purpose of the project is to assist families served by the child support program with navigating the program and utilizing community resources.

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

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

(d) The tentative completion date is September 30, 2028.

Sec. 703. (1) From the funds appropriated in part 1 for child support enforcement enhancements, the department shall allocate \$6,413,900.00 in federal child support incentive funding to support child support operations by improving access to, raising awareness of, and simplifying services. Services may include public awareness messaging, partnerships with community-based organizations, and working with participants to understand their experiences in the program.

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

(a) The purpose of the project is to assist families served by the child support program with navigating the program and utilizing community resources.

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

(c) The total estimated cost of the project is \$6,413,900.00.

(d) The tentative completion date is September 30, 2028.

Sec. 704. The unexpended funds appropriated in part 1 for ARP - strengthening U.S. public health infrastructure, workforce, and data systems are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to expand health equity strategies and communication coordination.
- (b) The project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the project is \$5,878,800.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 705. The unexpended funds appropriated in part 1 for ARP - strengthening U.S. public health infrastructure, workforce, and data systems are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to improve the efficiency and capabilities of public health administration and data visualization systems.
- (b) The project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the project is \$1,919,800.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 706. The unexpended funds appropriated in part 1 for federal COVID immunization and vaccine grant are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support the maintenance and operations of the Michigan Care Improvement Registry (MCIR).
- (b) The project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the project is \$1,858,700.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 707. The unexpended funds appropriated in part 1 for federal COVID emerging infections programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to modernize public health research and laboratory surveillance activities and support staffing and operational costs for the emerging infections programs.
- (b) The project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the project is \$4,852,200.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 708. The unexpended funds appropriated in part 1 for COVID-19 national wastewater surveillance system are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to develop the capacity of state and local units of government to conduct and coordinate wastewater surveillance.
- (b) The project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the project is \$3,704,400.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 709. The unexpended funds appropriated in part 1 for COVID - influenza population-based hospitalization surveillance are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to invest in staffing and necessary equipment and supplies to support the Michigan influenza hospitalization surveillance project.
- (b) The project will be accomplished by utilizing state employees or contracts.
- (c) The total estimated cost of the project is \$344,400.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 710. The unexpended funds appropriated in part 1 for ARP - epidemiology and lab capacity genomic sequencing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to leverage new technologies to combat emerging and persistent disease threats throughout the state.

(b) The project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the project is \$3,308,800.00.

(d) The tentative completion date is September 30, 2028.

Sec. 711. From the funds appropriated in part 1 for substance use rehabilitation services, the department shall allocate \$3,500,000.00 to the Sacred Heart Rehabilitation Center for the construction, renovation, and refurbishing costs of a building to continue to provide addiction treatment programming.

Sec. 712. (1) From the funds appropriated in part 1 for reproductive health access expansion, the department shall make resources available for new state costs associated with changes in state statute, program policy, or administrative rule that would remove barriers for Michigan citizens to necessary reproductive health services.

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

(a) The purpose of the project is to support expansions in access to reproductive health services.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

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

(d) The tentative completion date is September 30, 2028.

Sec. 713. The unexpended funds appropriated in part 1 for child and adolescent health care and centers are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to support school-based health center programs.

(b) The work project will be accomplished by providing grants, contracts, or both.

(c) The total estimated completion cost of the work project is \$45,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 714. The unexpended funds appropriated in part 1 for jail diversion fund are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to distribute grants to local units of government to establish or expand behavioral health jail diversion programs in coordination between community agencies and law enforcement agencies.

(b) The project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the project is \$2,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 715. (1) From the funds appropriated in part 1 for maternal-fetal medicine programming, the department shall allocate \$8,000,000.00 to an office of women's health located at a university in a county with a population greater than 1,500,000, according to the most recent federal decennial census, to oversee the programming. The funding must be used for a collaboration of universities and hospitals across this state to develop and implement a model to reduce infant and maternal mortality through best practices, patient incentives and transportation, navigators, and onsite medication distribution.

(2) The unexpended funds appropriated in part 1 for maternal fetal medicine programming are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to develop and implement a model to reduce infant and maternal mortality through best practices, patient incentives and transportation, navigators, and onsite medication distribution.

- (b) The project will be accomplished primarily by contracts with service providers.
- (c) The total estimated cost of the project is \$8,000,000.00.
- (d) The tentative completion date is September 30, 2027.

Sec. 716. From the funds appropriated in part 1 for mobile mammography, the department shall allocate \$1,000,000.00 to a nonprofit, faith-based hospital in a city with a population between 198,000 and 200,000 according to the most recent federal decennial census to support any costs associated with mobile mammography and oncology to support patients in underserved rural and urban areas. These funds shall be paid by the department no later than December 1, 2024.

JUDICIARY

Sec. 751. From the funds appropriated in part 1 for employee lump sum payments, the judiciary shall expend the funds appropriated for costs associated with lump sum payments of up to the same amounts approved by the civil service commission for nonexclusively represented employees in the current fiscal year, as approved by the chief justice. The judiciary is authorized to make any accounting transactions necessary to effectuate the implementation of these payments within the statewide integrated governmental management application (SIGMA).

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 801. (1) From the funds appropriated in part 1 for housing readiness incentive grant program, \$1,000,000.00 must be allocated to provide grants to cities, villages, townships, and counties to cover the costs associated with adopting land use policies, master plan updates, zoning text amendments, and similar actions to encourage increasing housing supply and affordability.

(2) A local unit of government that submits an eligible plan to the department may receive a grant of not more than \$50,000.00.

(3) The department may work in collaboration with the MEDC to review grant applications. Applicants must be reviewed and approved, and grants must be awarded to qualified applicants, in the order in which applications are received.

(4) Local units of government shall provide a summary of changes to the department on completion of the process.

(5) As used in this section, "MEDC" means that term as defined in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004.

Sec. 802. (1) From the funds appropriated in part 1 for the community and worker economic transition fund pilot, the community and worker economic transition office may establish pilot programs to address transition activities not addressed by existing state programs and may fulfill the components included in the community and worker economic transition plan. Program funds may be used for initiatives including, but not limited to, temporary wage gap coverage, wraparound support services, technical assistance for developing economic diversification strategies, and incumbent training programs. As used in this subsection:

(a) "Community and worker economic transition office" means the office as that term is defined in section 5 of the community and worker economic transition act, 2023 PA 232, MCL 408.915.

(b) "Community and worker economic transition plan" means the transition plan as that term is defined in section 5 of the community and worker economic transition act, 2023 PA 232, MCL 408.915.

(c) "Transition activities" means that term as defined in section 5 of the community and worker economic transition act, 2023 PA 232, MCL 408.915.

(2) The unexpended funds appropriated in part 1 for the community and worker economic transition fund pilot are designated as a work project appropriation, and any unencumbered or unallocated funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to support workers, communities, and businesses as they navigate this state's economic transition.

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

(c) The total estimated cost of the work project is \$8,600,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 803. The unexpended funds appropriated in part 1 for the mobility hub project are designated as a work project appropriation, and any unencumbered or unallocated funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to develop a real world prototype enabling companies to transition their fleets to electric and future-proof their businesses by testing new technologies, digital services, and business models.

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

(c) The total estimated cost of the work project is \$11,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 804. The unexpended funds appropriated in part 1 for the office of global Michigan are designated as a work project appropriation, and any unencumbered or unallocated funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to support the office of global Michigan and its grant programs.

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

(c) The total estimated cost of the work project is \$28,064,500.00.

(d) The tentative completion date is September 30, 2028.

Sec. 805. (1) From the funds appropriated in part 1 for ARP – missing middle gap program, \$110,000,000.00 must be used by the Michigan state housing development authority to create a missing middle housing program to increase the supply of housing stock, in response to the negative economic impacts of the pandemic, for employees by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties that are targeted to missing middle households.

(2) As used in this section:

(a) “Agreement” means an agreement between a developer and the authority pursuant to subsection (7).

(b) “Agreement counterparty” means the counterparty to an agreement, including the developer or any transferee or assignee of the developer’s rights and obligations under an agreement pursuant to subsection (7).

(c) “Area median income” means the median income for the area as published annually by the United States Department of Housing and Urban Development, another governmental entity as selected by the authority, or another research institution as selected by the authority.

(d) “Attainable” means rent or a sale price resulting in a final mortgage payment no higher than 30% of the gross annual income of a missing middle household.

(e) “Authority” means the Michigan state housing development authority created by the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

(f) “Final mortgage payment” means a mortgage payment calculated by the developer that must include principal, interest, taxes, insurance, private mortgage insurance, association fees or lease payments, or fees related to participation in a community land trust in accordance with financing assumptions consistent with market conditions as determined by the program administrator.

(g) “Housing unit” means a dwelling of less than 2,000 square feet, available for sale or lease on a permanent or year-round basis, that has a permanent foundation, electrical, heating and cooling, plumbing, bathing and restroom facilities, kitchen, and sleeping spaces, all of which meet building code requirements sufficient to achieve a certificate of occupancy.

(h) “Local support” means 1 or a combination of the following forms of support provided by a local unit of government:

(i) Financial contributions or grants in an amount equal to or exceeding \$5,000.00.

(ii) A tax abatement provided to a project in accordance with state law.

(iii) Tax increment revenues captured by a local unit of government and committed to a project in accordance with a tax increment finance and development plan.

(iv) Land transferred from the local unit of government at a cost of not more than \$1,000.00 per housing unit.

(v) Any other form of support provided by a local unit of government determined by the program administrator to constitute local support for purposes of this section.

(i) “Local unit of government” means a city, village, township, county, or any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision.

(j) “Missing middle household” or “missing middle households” means a household or households as defined by the authority. The authority’s definition must be supported by housing data and comply with rules and regulations established by the American rescue plan act of 2021, Public Law 117-2, specifically all regulations and requirements around the use of the coronavirus state fiscal recovery fund.

(k) “Program administrator” means the executive director of the authority.

(l) “Project” means the construction or substantial rehabilitation of 1 or more housing units made available at a price or lease rate that is attainable to a missing middle household.

(m) “Qualified real estate developer” means a landbank, local government, or nonprofit or for-profit developer.

(n) “Rural community” means any geography designated by the United States Department of Agriculture Office of Rural Development as rural for purposes of its single-family housing guaranteed loan program.

(o) “Substantial rehabilitation” means rehabilitation of a housing unit that requires a financial investment of at least \$25,000.00.

(3) All of the following apply regarding the missing middle housing program:

(a) The missing middle housing program is created under the jurisdiction and control of the authority and may be administered by the authority in accordance with the provisions of this section. In developing program guidelines and design, the authority must receive the concurrence of the executive director of the state land bank.

(b) The authority must expend funds under this section only for the purposes of making awards as provided in subsection (4) and paying the costs of administering the program.

(c) The authority must develop and implement the use of forms, applications, agreements, and any other documents necessary or appropriate to implement this section and carry out its duties under this section.

(d) Not less than 30% of the dollar amount of awards under this section must be allocated to projects in rural communities, including, but not limited to, projects located in the Upper Peninsula.

(e) Not more than 15% of the dollar amount of awards under this section may be allocated to projects in any single city, village, or township

(4) All of the following apply regarding the approval and award of a grant under this section:

(a) Subject to subdivision (b), upon satisfaction of the conditions set forth in subsection (6), the program administrator is required to set limits on the amount of missing middle funding per unit a project can receive.

(b) The maximum amount that may be awarded to a project for a housing unit under this section is limited to the actual labor and material cost of construction or substantial rehabilitation of the housing unit.

(5) To qualify as a developer under this section, the developer must be a qualified real estate developer as defined in this section and satisfy all of the following conditions:

(a) The developer must pass a criminal and civil background check of key employees satisfactory to the program administrator.

(b) The developer must not be under debarment with the United States government.

(c) The developer must demonstrate to the program administrator that it has the capacity to complete the construction of the project, and that it has the ability to implement rent restrictions and purchaser restrictions for the terms specified in the agreement for the project. The developer may contract with 1 or more entities that will provide materials or services in order to assist in meeting the capacity thresholds described in this subdivision.

(6) All of the following conditions apply to a grant award under this section:

(a) To qualify for a grant under this section, a project must meet all of the following conditions, as determined by the program administrator:

(i) The project must consist of new construction, substantial rehabilitation, or a combination of both.

(ii) The developer must demonstrate site control, identify the project general contractor, and provide a preliminary budget reflecting the ability to complete the project.

(iii) The construction quality, design, and location of the project must be appropriate for the area in which the project will be developed. The program administrator may require preapproval of designs and plans and may condition approval on certain minimum design and quality of construction standards.

(iv) The developer must demonstrate that it has not received and will not receive low-income housing tax credits for the project.

(v) The developer must demonstrate that the project has received or will receive local support.

(vi) The developer must propose a method or methods by which it will ensure to the satisfaction of the program administrator that each housing unit will remain attainable for a period of 10 years for rental deals and 5 years for for-sale deals following the issuance of a certificate of occupancy to the developer. The program administrator shall work with developers to make efforts to keep properties developed under this program attainable for missing middle households beyond these initial timelines.

(b) Application for approval under this subsection must be made in the form and manner prescribed by the program administrator.

(7) The terms and conditions for the distribution of awarded funds must be set forth in an agreement between the agreement counterparty and the program administrator as follows:

(a) The agreement may contain continuing obligations of the agreement counterparty for the term of the agreement to ensure that the project is attainable as described in subsection (6)(a)(vi).

(b) A developer may convey the project and transfer or assign the developer's rights and obligations under the related agreement to a third-party.

(c) The agreement must require that the agreement counterparty provide all of the following information to the program administrator as of the date of the certificate of occupancy for the project:

(i) Total number of total housing units developed within the project.

(ii) Number of housing units in the project qualifying for the grant.

(iii) Total square footage of project.

(iv) Total project costs.

(v) Total project costs not arising from a grant under this section.

(d) The agreement must require that the agreement counterparty provide the following information annually during the term of the agreement:

(i) For a project consisting of housing units for sale, the price of each housing unit within the project sold during the reporting year.

(ii) For a project consisting of housing units for rent, each of the following:

(A) A statement of the rental rate of each housing unit for rent within the project during the reporting year.

(B) A statement of the income stated on tenant applications for the project during the reporting year.

(C) A statement of the occupancy rate of the project during the reporting year.

(8) The program administrator may in any year adjust any dollar amount provided in this section by a percentage equal to or less than the Consumer Price Index for that year.

(9) The unexpended funds appropriated in part 1 for ARP – missing middle gap program are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to expand access to housing stock for missing middle households.

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

(c) The total estimated cost of the project is \$110,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 806. (1) Funds appropriated in part 1 for ARP – housing and community development fund must be allocated to the Michigan state housing development authority to expand access to affordable and attainable housing for households that the United States Department of Treasury considers eligible for state fiscal recovery fund assistance. Funds must be deposited into the restricted Michigan housing and community development fund created in section 58a of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458a. All funds in the Michigan housing and community development fund are appropriated and available for expenditure for projects as described in sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.

(2) The Michigan state housing development authority must develop program guidelines and eligibility criteria for the program and must post that information on its publicly accessible website. Program guidelines must comply with federal regulations established by the American rescue plan act of 2021, Public Law 117-2, including all regulations and requirements around the use of the state fiscal recovery fund. Efforts must be made to ensure a broad geographic distribution of funds awarded under the program to both urban and rural communities, to the extent allowable under federal regulations. Clear and objective scoring criteria must be established, published, and strictly followed to govern the allocation of the funding with the primary objective of leveraging the funds for maximum total investment and housing production.

(3) The unexpended funds appropriated in part 1 for ARP – housing and community development fund are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to expand access to affordable and attainable housing for households that the United States Department of Treasury considers eligible for state fiscal recovery fund assistance.

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

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

(d) The tentative completion date is September 30, 2027.

Sec. 807. The unexpended funds appropriated in part 1 for the digital equity capacity grant are designated as a work project appropriation, and any unencumbered or unallocated funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to implement the state's digital equity plan, which aims to eliminate the digital divide and ensure every Michigan resident has access to affordable, reliable high-speed internet.

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

(c) The total estimated cost of the work project is \$20,586,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 808. The funds appropriated in part 1 for the critical industry program must be used for program activities under section 88s of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s.

Sec. 809. The funds appropriated in part 1 for the Michigan strategic site readiness program must be used for program activities under section 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t.

Sec. 810. The legislature finds and declares that appropriations described in part 1 for the critical industry program and the Michigan strategic site readiness program are for a public purpose and serve the health, safety, and general welfare of the residents of this state.

Sec. 811. (1) Funds appropriated in part 1 for targeted energy investment must support efforts to restart a Michigan-based nuclear power generation reactor capable of producing less than 1,000 megawatts that was in service as of January 1, 2022 but is not currently producing electricity.

(2) Funding appropriated in part 1 for targeted energy investment is contingent on conditional commitments from the United States Department of Energy for the support of efforts to restart the facility.

(3) Funding must be used to repower a critical, carbon-free energy source and economic driver for this state. The legislature finds and declares the appropriation described in this section is for a public purpose, including providing for reliable, adequate, and available energy resources in this state.

(4) The department of labor and economic opportunity must execute a grant agreement with the power generation facility described in subsection (1). The grant funds, subject to subsection (2), must be disbursed by the department of labor and economic opportunity as determined by the grant agreement. The grant agreement must provide that not more than 50% of the funds be allocated as an advance payment, with the balance to be disbursed when documentation has been provided by the recipient to the satisfaction of the department of labor and economic opportunity that the first disbursement has been fully expended. All remaining funds must be disbursed quarterly on a reimbursement basis for eligible expenses as outlined in the grant agreement. The department of labor and economic opportunity may also include other provisions in the grant agreement, including, but not limited to, the rescission of funds, reporting requirements, audit, record retention, and information requests, at its discretion.

(5) The department of labor and economic opportunity must submit a report not later than September 30 to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the overall status of this investment, whether any federal funds have been committed by the United States Department of Energy, the recipient and amount of state funds expended, and the timeline for the restart of the facility.

(6) Unexpended funds in part 1 for targeted energy investment are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide financial support for efforts to restart the nuclear power generation facility under this section.

(b) All funds will be distributed in accordance with this section and any grant guidelines or grant agreements required by the department of labor and economic opportunity.

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

(d) The estimated cost of the project is \$150,000,000.00.

(e) The tentative completion date is September 30, 2028.

Sec. 812. (1) From the funds appropriated in part 1 for symphony economic recovery grants, the department shall award grants to symphonies that have a demonstrated financial need for state support. Funds must be allocated as follows:

(a) \$533,300.00 must be awarded to a symphony located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census.

(b) \$533,300.00 must be awarded to a symphony located in a city with a population between 120,000 and 125,000 in a county with a population between 350,000 and 400,000 according to the most recent federal decennial census.

(c) \$533,300.00 must be awarded to a symphony located in a city with a population between 195,000 and 200,000 according to the most recent federal decennial census.

(2) It is the intent of the legislature that grant funds allocated under section 502(3)(b) of 2023 PA 321 remain unspent and lapse to the state general fund.

LEGISLATURE

Sec. 901. The unexpended funds appropriated in part 1 for interpreter services are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide interpreter services to assist the legislature with serving Michigan residents who require assistance with communicating with legislative offices.

- (b) The project will be accomplished primarily by utilizing contracts with service providers.
- (c) The total estimated cost of the project is \$50,000.00.
- (d) The tentative completion date is September 30, 2027.

Sec. 902. The unexpended funds appropriated in part 1 for house of representatives internship program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide internship experiences for students or other Michigan residents wishing to explore a career in the legislature.

(b) The project will be accomplished primarily by utilizing limited-term state employees.

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

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF NATURAL RESOURCES

Sec. 1001. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) Revenue collected by the department and amounts remaining in the fund under this section that is unexpended and unencumbered must not lapse to the general fund but must be carried forward to the subsequent fiscal year.

Sec. 1002. The unexpended funds appropriated in part 1 for Great Lakes vessel modernization are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to replace and upgrade the Lake Michigan survey vessel.

(b) The project will be accomplished primarily by utilizing contracts with service providers.

(c) The total estimated cost of the project is \$2,500,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF STATE

Sec. 1101. The unexpended funds appropriated in part 1 for Help America Vote Act are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for election security initiatives in accordance with the consolidated appropriations act, 2022, Public Law 117-103, and the consolidated appropriations act, 2023, Public Law 117-328, as authorized in section 101 of the help America vote act of 2002, 52 USC 20901, and any other applicable federal and state rules and regulations. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of this project is to support election security initiatives, which include, but are not limited to, election equipment upgrades, security and testing of voting systems, and the development and distribution of election security information materials.

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

(c) The total estimated cost of the project is \$5,720,000.00.

(d) The tentative completion date is September 30, 2028.

DEPARTMENT OF STATE POLICE

Sec. 1201. The general fund/general purpose funds appropriated in part 1 for the disaster and emergency contingency fund must be deposited in the restricted disaster and emergency contingency fund created in section 18 of the emergency management act, 1976 PA 390, MCL 30.418.

Sec. 1202. (1) The hazard mitigation assistance revolving loan fund is created in the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund. The department is the administrator of the fund.

(2) The department shall expend money from the fund in accordance with the requirements and objectives of the safeguarding tomorrow through ongoing risk mitigation (STORM) act, Public Law 116-284.

(3) Funds appropriated in part 1 for hazard mitigation assistance loan program must be deposited into the hazard mitigation assistance revolving loan fund. All funds in the hazard mitigation assistance revolving loan fund are appropriated and available for expenditure.

Sec. 1203. From the funds appropriated in part 1 for emergency alert system upgrades, the department must allocate funds to a nonprofit statewide association that represents broadcasters to implement a statewide redundant emergency alert system network and perform equipment upgrades to ensure the continuous operation of the emergency alert system.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 1301. (1) Funds appropriated in part 1 for digital nondiscrimination federal compliance must be allocated by the department of technology, management, and budget to review the compatibility of state web and mobile-based applications against a United States Department of Justice final rule for nondiscrimination on the basis of disability in accessing web-based information and services under 28 CFR part 35. The department may hire up to 7.0 term-limited employees to test and review state web and mobile-based applications under this section in preparation for compliance activities.

(2) The unexpended funds appropriated in part 1 for digital nondiscrimination federal compliance are designated as a work project appropriation. Any unencumbered or unallocated funds shall not lapse at the end of the fiscal year and shall be made available for expenditures for this project. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to assess state web and mobile-based applications to formulate alignment with technical standards to improve accessibility of online public services, programs, and activities as required by title II of the Americans with disabilities act of 1990, 42 USC 12131 to 12165.

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

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

(d) The tentative completion date is September 30, 2028.

DEPARTMENT OF TRANSPORTATION

Sec. 1401. The department may hire up to 2.0 FTEs to support the implementation of various aeronautics programs included in 2023 PA 119.

DEPARTMENT OF TREASURY

Sec. 1501. Revenue deposited in the local government reimbursement fund created in section 3a of the Michigan trust fund act, 2000 PA 489, MCL 12.253a, is appropriated and must be distributed in accordance with 3a of the Michigan trust fund act, 2000 PA 489, MCL 12.253a.

Sec. 1502. (1) The department of treasury shall award funds appropriated in part 1 for municipal support grants as follows:

(a) \$1,500,000.00 must be awarded to a city with a population over 80,000 in a county with a population between 404,000 and 407,000 according to the most recent federal decennial census for the purpose of promoting public safety.

(b) \$3,500,000.00 must be awarded to a community education initiative that supports a parent collaborative, community council on education, and network for school excellence in a city with a population over 80,000 in a county with a population between 404,000 and 407,000 according to the most recent federal decennial census for the repurposing of old government, school, and commercial buildings with an emphasis on those that can be utilized for the purposes of early childhood or after-school programs.

(c) \$5,000,000.00 must be awarded to the United Way of a county with a population between 404,000 and 407,000 according to the most recent federal decennial census to build the infrastructure and delivery systems to modernize a continuum of care program for services to unhoused individuals.

(d) \$10,000,000.00 must be awarded to the United Way of a county with a population between 404,000 and 407,000 according to the most recent federal decennial census for the purpose of creating affordable housing opportunities.

(e) Any funds remaining after the awards specified in subdivisions (a) to (d) must be awarded to make payments to a qualified retirement system located in a city with a population over 80,000 in a county with a population between 404,000 and 407,000 according to the most recent federal decennial census.

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

(a) The purpose of the project is to provide financial assistance to local units of government that are experiencing or have experienced periods of financial distress and nonprofit entities that serve residents of those local units of government.

(b) The project will be accomplished by utilizing contracts with local units of government, contracts with nonprofit organizations, or both.

(c) The total estimated cost of the project is \$47,000,000.00.

(d) The tentative completion date is September 30, 2028.

REPEALERS

Sec. 1601. Section 1956 of article 6 of 2023 PA 119 is repealed.

Sec. 1602. Section 1966 of article 6 of 2023 PA 119 is repealed.

Sec. 1603. Section 2005 of article 6 of 2023 PA 119 is repealed.

Sec. 1604. Section 803 of article 14 of 2023 PA 119 is repealed.

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

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch and for capital outlay purposes for the fiscal years ending September 30, 2024 and September 30, 2025; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

Sarah Anthony
Sean McCann

Angela Witwer
Amos O’Neal

Conferees for the Senate

Conferees for the House

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 330

Yeas—21

Anthony
Bayer
Brinks
Camilleri
Cavanagh
Chang

Cherry
Geiss
Hertel
Irwin
Klinefelt

McBroom
McCann
McDonald Rivet
McMorrow
Moss

Polehanki
Santana
Shink
Singh
Wojno

Nays—17

Albert
Bellino
Bumstead
Daley
Damoose

Hauck
Hoitenga
Huizenga
Johnson

Lauwers
Lindsey
Nesbitt
Outman

Runestad
Theis
Victory
Webber

Excused—0

Not Voting—0

In The Chair: Geiss

Senator Singh moved that the bill be given immediate effect.

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

Protests

Senators Albert, Outman, Runestad, Nesbitt and Daley, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 747.

Senators Albert, Outman, Runestad and Nesbitt moved that the statements they made during the discussion of the conference report be printed as their reasons for voting “no.”

The motion prevailed.

Senator Albert's statement is as follows:

This budget is a cautionary tale of what happens when the government places a premium on the short term while ignoring long term consequences. One would think it is 1929 or 2009 by how desperate Democrats have been to find extra taxpayer cash. The irony here is that state tax revenues are relatively stable. The fundamental mistakes building this budget were not necessarily made in the past few weeks or even months. No, this budget simply doubles down on the fundamental mistake that Democrats made the moment they seized power over both the Legislature and the executive office.

The Democratic triumvirate inherited a \$9 billion budget surplus. They did not show restraint or even common sense; they did not provide broad and fair tax breaks for all Michiganders or even keep some of this money in reserve. Instead, they spent all of this money right away. They added new programs and added roughly 700 more state government employees. They started wasting money on grossly-inflated corporate welfare and other programs that will never be worth the cost to taxpayers, and now they're stuck. They've created an unsustainable state budget and they want to conduct shell games to simply tread water.

How do they continue the reckless spending spree when they no longer have the money to afford it? They keep taxes higher than they should be and they raid the teacher retirement fund. All of this would be one thing if the spending spree were in fact going to show a tangible benefit, improved services, or a better economy. But our Michigan taxpayers, who are already struggling with higher costs, are going to end up realizing that their hard-earned money would have been better off supporting their own household rather than the behemoth state. I urge a "no" vote.

Senator Outman's statement is as follows:

I couldn't help but notice earlier today the rays of sunshine that shone brightly through these windows. When we passed transparent FOIA reforms we saw rays of sunshine shoot through this chamber. I can't help but notice now when we finally have a chance to see what's in the budget there's no sunshine to be seen. That seems pretty appropriate for the moment—it's now 4:19 a.m.—and we've only had a short time to look at this budget before being forced to take a vote on it.

With budgets as large as we've seen in recent years, it takes time to go through all the spending decisions made by the majority. We should be taking the time to do our due diligence, to do our jobs, and to do right by the taxpayers. Senate Republicans have been consistent from the start on this one simple request: we need the time to actually read the bills before voting on them. Sounds reasonable, right? Apparently, that's too much to ask for—well, at least from this majority. Instead of being given an appropriate time, we're basically being told that we need to, quote, pass the bill to find out what's in it. It's not wise, it's not good government, and it is certainly lacking some serious sunshine.

Senator Runestad's statement is as follows:

Madam President, the budget before us expands Governor Whitmer's Office of Global Michigan which according to reports has been used to provide rental subsidies to illegal immigrants—or newcomers, as many Democrats prefer. The Senate Majority Leader can censor the phrase illegal immigrants in our office communications but thank God can't do that here on the floor. Now, my colleagues across the aisle insist taxpayer funding isn't being used to support illegal immigrants, but when Michigan Republicans offered an amendment to the budget to ensure none of this program's dollars would be spent on anyone in our country illegally, every one of the Democrats voted "no." Why "no" on such a common sense amendment? Why insist on directing taxpayer dollars to those who came into our country illegally? Why fight to send the hard-earned wages of Michigan's plumbers, teachers, factory workers to illegal immigrants? Why vote against an amendment that ensures taxpayer dollars are not used to subsidize illegal aliens? Why indeed?

It may be considered old-fashioned by the Democrats but I think Michigan's tax dollars should be spent on Michigan citizens. We know that the Governor's Office of Global Michigan is the very office that asked Michiganders to house migrants and refugees, but somehow the Governor still has not welcomed any of the newcomers into her own beautiful mansion or her Mackinac Island second home. There's got to be room for a number of families in each of these beautiful taxpayer-funded homes that she is denying them. This body has the opportunity to actually do something to protect our state from the dangers of an open border. We could ban sanctuary cities to protect our people and support our law enforcement. We could crack down on those who are bringing fentanyl into our communities. We could even secure our southern border. Sadly, the majority has chosen not to do any of that with this budget. It's actually doing the opposite.

Madam President, this budget does none of the things we need to combat Joe Biden's disastrous wide open border. Instead the Democrats' policies will make the problem worse by making Michigan a destination for people in our country illegally. This budget puts illegal immigrants ahead of American workers and taxpayers and that is just wrong. I ask for a "no" vote on this budget.

Senator Nesbitt's statement, in which Senator Daley concurred, is as follows:

Nine billion dollars. That's right, last year there was a \$9 billion surplus—an amount of money that could have been transformational for so many of the needs in this state. Long term strategic investments on our infrastructure could have been made rather than the Governor racking up millions and billions of dollars more on this state's credit card. Or perhaps a fully-funded, aggressive approach to get their students up to speed after the Governor's mandated COVID lockdowns sent them into educational regression. It could have gone towards hardening our schools and universities, placing unprecedented protections between our children and those who may wish to do them harm as they learn. Or even paying down the billions of dollars in long-term debt we still have on the books.

None of that has happened. Instead, we've seen it blown on corporate handouts, left-wing pet projects, and on a public relations campaign of a certain Governor's shadow campaign for President. And what were we left with? More taxes. More debt. And a weak fiscal foundation heading into this year's budget. Now, we are asked to vote on a budget that would not even be balanced without the Democrat majority's scheme that would raise taxes on Michigan workers by \$700 million.

All working families taxes went up at the beginning of this year. The Democratic majority squandered the \$9 billion surplus then asked the taxpayers to bail them out. To make matters worse, we just got done approving a strong, bipartisan reform decades in the making to create more transparency in our legislative chambers. Yet this majority jammed this budget through the process, out of the sight of the public without transparency with how they were spending the people's money. And that's what never seems to be understood. It's not your money; it belongs to our taxpayers.

So here we are, again with another partisan budget that sticks it to hardworking taxpayers, and the people of Michigan won't forget.

Senators Anthony and Brinks asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Anthony's statement is as follows:

I'm excited to support a budget that is both fiscally responsible and also looks out for every Michigander, whether those who live in big cities, towns, villages, folks who are in need of a little bit of a hand, in order to actually realize the dream that many of us strive for each and every day. This budget came together after hours and hours of conversations in our communities and in this chamber, so I ask for a "yes" vote.

Senator Brinks' statement is as follows:

I am proud to rise in support of the legislation before us today: our second state budget that serves Michigan families, students, schools, workers, and communities. Last year we focused our first budget on transformation, and this year we focused on continuation. We're continuing to build on the historic progress we made last year, and with the passage of this budget in front of us today, together we are building up Michigan.

To the many, many people who have contributed to this year's budget, you deserve our sincerest gratitude and thanks. To the Legislative Service Bureau, the Senate Fiscal Agency, and each of their dedicated, meticulous staff members who have worked around the clock to get us to this point, thank you. To my stellar office staff and caucus staff, many of whom I hope are sleeping, and each of your office's teams, I thank you. To Lori Dey and Andy Solon, the backbone behind these budgets, thank you. You along with Kristi James have put your all into making this a product that we can be proud of, sacrificing so much of your own time to help us successfully deliver this budget, so thank you. Likewise, I have to thank my fearless chief of staff, Kathleen O'Reilly Farhat, for steering the ship through this lengthy and thorough process. To the members on Appropriations, the subcommittees, the chairs, and your staff, thank you for your unwavering commitment to getting this budget done, both well and on time.

Finally, I'd like to recognize the Senator from the 21st District for taking this year's budget on with so much power and grace. We all know that the chairwoman is a trailblazer in many ways and her diligence in leading this arduous process continues to illustrate just how much of a groundbreaker she really is. Thank you, chairwoman.

I urge a "yes" vote on the budget before us. These are fiscally responsible investments that will help us build a better future in Michigan and a better future for Michigan.

Recess

Senator Singh moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 4:32 a.m.

4:40 a.m.

The Senate was called to order by the President pro tempore, Senator Moss.

Senator Singh moved that Joint Rule 9 be suspended to permit immediate consideration of the conference report relative to the following bill:

House Bill No. 5507

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

House Bill No. 5507, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 11, 17b, 201, 206, 236, and 241 (MCL 388.1611, 388.1617b, 388.1801, 388.1806, 388.1836, and 388.1841), sections 11, 201, and 236 as amended by 2023 PA 320, section 17b as amended by 2007 PA 137, and sections 206 and 241 as amended by 2023 PA 103.

The House of Representatives has adopted the report of the Committee of Conference.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

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

House Bill No. 5507, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 11, 17b, 201, 206, 236, and 241 (MCL 388.1611, 388.1617b, 388.1801, 388.1806, 388.1836, and 388.1841), sections 11, 201, and 236 as amended by 2023 PA 320, section 17b as amended by 2007 PA 137, and sections 206 and 241 as amended by 2023 PA 103.

Recommends:

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

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

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 11, 11a, 11j, 11k, 11m, 11s, 11z, 12c, 15, 20, 20d, 21h, 22a, 22b, 22c, 22d, 22l, 22m, 22p, 23g, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27c, 27d, 27g, 27j, 27k, 27l, 27n, 27o, 27p, 28, 29, 30d, 31a, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 33, 35a, 35d, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61d, 61j, 62, 65, 67, 67f, 74, 81, 94, 94a, 97a, 97j, 97k, 98, 98d, 99b, 99g, 99h, 99s, 99t, 99x, 99aa, 99ee, 99ff, 99hh, 99jj, 104, 104h, 107, 147, 147a, 147c, 147e, 152a, 152b, 163, 201, 205, 206, 207a, 207b, 207c, 217, 217b, 222, 223, 229, 229a, 230, 236, 236c, 236j, 236n, 241, 241a, 241c, 244, 248, 248a, 250, 251, 252, 253, 254, 255, 256, 258, 259, 260, 263, 263a, 263b, 264, 268, 269, 270c, 275b, 275k, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611z, 388.1612c, 388.1615, 388.1620, 388.1620d, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622l, 388.1622m, 388.1622p, 388.1623g, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627c, 388.1627d, 388.1627g, 388.1627j, 388.1627k, 388.1627l, 388.1627n, 388.1627o, 388.1627p, 388.1628, 388.1629, 388.1630d, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1633, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1661j, 388.1662, 388.1665, 388.1667, 388.1667f, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697a, 388.1697j, 388.1697k, 388.1698, 388.1698d, 388.1699b, 388.1699g, 388.1699h, 388.1699s, 388.1699t, 388.1699x, 388.1699aa, 388.1699ee, 388.1699ff, 388.1699hh, 388.1699jj, 388.1704, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1805, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1817, 388.1817b, 388.1822, 388.1823, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836c, 388.1836j, 388.1836n, 388.1841, 388.1841a, 388.1841c, 388.1844, 388.1848, 388.1848a, 388.1850, 388.1851, 388.1852, 388.1853, 388.1854, 388.1855, 388.1856, 388.1858, 388.1859, 388.1860, 388.1863, 388.1863a, 388.1863b, 388.1864, 388.1868, 388.1869, 388.1870c, 388.1875b, 388.1875k, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections 11, 12c, 20, 22l, 31a, 41, 51a, 51c, 94a, 97k, 99jj, 147a, 201, 226, and 248 as amended by 2023 PA 320, sections 11a, 11j, 11k, 11m, 11s, 15, 20d, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27c, 28, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 35a, 35d, 39, 39a, 41b, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 97a, 98, 99h, 99s, 99t, 99x, 99aa, 99ee,

104, 104h, 107, 147, 147c, 147e, 152a, 152b, 163, 206, 207a, 207b, 207c, 223, 229a, 230, 236c, 236j, 241, 248a, 251, 252, 254, 256, 259, 260, 263, 263a, 264, 268, 269, 270c, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 11z, 23g, 27g, 27j, 27k, 27l, 27n, 27o, 27p, 29, 30d, 33, 61j, 67f, 97j, 98d, 99b, 99g, 99ff, 99hh, 217b, 236n, 241a, 241c, 263b, and 275k as added by 2023 PA 103, section 27d as added and sections 229 and 275b as amended by 2022 PA 144, sections 205 and 217 as amended by 2020 PA 165, section 222 as amended by 2021 PA 86, section 244 as amended and section 250 as added by 2017 PA 108, sections 253 and 255 as amended by 2012 PA 201, and section 258 as amended by 2013 PA 60, and by adding sections 11bb, 12d, 22e, 25l, 27f, 27r, 27s, 31g, 35m, 35n, 51h, 55, 67a, 67b, 67d, 94d, 94e, 97m, 99, 99c, 99i, 147g, 164j, 201f, 201g, 201h, 216e, 217c, 236d, 236f, 236r, 241e, 247, 270, 275m, and 287; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 11. (1) For the fiscal year ending September 30, 2023, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$17,290,268,900.00 from the state school aid fund, the sum of \$124,350,000.00 from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed \$200,000.00 from the school transportation fund created under section 22k, an amount not to exceed \$25,000,000.00 from the school meals reserve fund created under section 30e, and an amount not to exceed \$140,400,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b. For the fiscal year ending September 30, 2024, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$18,364,157,800.00~~ **\$18,418,357,800.00** from the state school aid fund, the sum of ~~\$87,900,000.00~~ **\$87,900,000.00** from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed \$245,000,000.00 from the school consolidation and infrastructure fund created under section 11x, an amount not to exceed \$125,000,000.00 from the school transportation fund created under section 22k, an amount not to exceed \$71,000,000.00 from the enrollment stabilization fund created under section 29, an amount not to exceed ~~\$60,000,000.00~~ **\$90,000,000.00** from the school meals reserve fund created under section 30e, an amount not to exceed \$18,000,000.00 from the great start readiness program reserve fund created under section 32e, and an amount not to exceed ~~\$215,800,000.00~~ **\$240,650,000.00** from the MPSERS retirement obligation reform reserve fund created under section 147b. **For the fiscal year ending September 30, 2025, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$17,643,551,300.00 from the state school aid fund, the sum of \$78,830,600.00 from the general fund, an amount not to exceed \$41,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed \$125,000,000.00 from the school transportation fund created under section 22k, an amount not to exceed \$71,000,000.00 from the enrollment stabilization fund created under section 29, an amount not to exceed \$30,000,000.00 from the school meals reserve fund created under section 30e, an amount not to exceed \$18,000,000.00 from the great start readiness program reserve fund created under section 32e, an amount not to exceed \$334,100,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b, and an amount not to exceed \$30,000,000.00 from the educator fellowship public provider fund created in section 27d.** In addition, all available federal funds are only appropriated as allocated in this article for the fiscal years ending September 30, 2023-2024 and September 30, 2024-2025.

(2) The appropriations under this section are allocated as provided in this article. Money appropriated under this section from the general fund must be expended to fund the purposes of this article before the expenditure of money appropriated under this section from the state school aid fund.

(3) Any general fund allocations under this article that are not expended by the end of the fiscal year are transferred to the school aid stabilization fund created under section 11a.

Sec. 11a. (1) The school aid stabilization fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid stabilization fund. The state treasurer shall deposit into the school aid stabilization fund all of the following:

(a) Unexpended and unencumbered state school aid fund revenue for a fiscal year that remains in the state school aid fund as of the bookclosing for that fiscal year.

(b) Money statutorily dedicated to the school aid stabilization fund.

(c) Money appropriated to the school aid stabilization fund.

(3) Money available in the school aid stabilization fund may not be expended without a specific appropriation from the school aid stabilization fund. Money in the school aid stabilization fund must be expended only for purposes for which state school aid fund money may be expended.

(4) The state treasurer shall direct the investment of the school aid stabilization fund. The state treasurer shall credit to the school aid stabilization fund interest and earnings from fund investments.

(5) Money in the school aid stabilization fund at the close of a fiscal year remains in the school aid stabilization fund and does not lapse to the unreserved school aid fund balance or the general fund.

(6) If the maximum amount appropriated under section 11 from the state school aid fund for a fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year, there is appropriated from the school aid stabilization fund to the state school aid fund an amount equal to the projected shortfall as determined by the department of treasury, but not to exceed available money in the school aid stabilization fund. If the money in the school aid stabilization fund is insufficient to fully fund an amount equal to the projected shortfall, the state budget director shall notify the legislature as required under section 296(2) and state payments in an amount equal to the remainder of the projected shortfall must be prorated in the manner provided under section 296(3).

(7) For ~~2023-2024~~, **2024-2025**, in addition to the appropriations in section 11, there is appropriated from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this article.

Sec. 11j. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$111,000,000.00~~ **\$23,000,000.00** for ~~2023-2024~~ **2024-2025** for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 296 or any other provision of this act, funds allocated under this section are not subject to proration and must be paid in full.

Sec. 11k. For ~~2023-2024~~, **2024-2025**, there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan finance authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

Sec. 11m. From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ ~~an amount not to exceed \$1,000,000.00~~ and there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$1,000,000.00 for fiscal year cash-flow borrowing costs solely related to the state school aid fund established under section 11 of article IX of the state constitution of 1963.

Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** and from the general fund money appropriated in section 11, there is allocated \$3,075,000.00 for ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~8-9~~ fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~2,800~~ **2,700** pupils in membership for a fiscal year after 2016-2017.

(2) From the general fund money allocated in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~8-9~~ fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~2,800~~ **2,700** pupils in membership for a fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** for the purpose of employing school nurses, classroom aides, school social workers, and community health workers; for the provision of behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services; and for purchasing program supplies. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report must provide at least the following information:

(a) How many personnel were hired using the funds allocated under this subsection.

(b) A description of the services provided to pupils by those personnel.

(c) How many pupils received each type of service identified in subdivision (b).

(d) Any other information the department considers necessary to ensure that the children described in subsection (1) received appropriate levels and types of services.

(3) For ~~2022-2023~~, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$2,000,000.00 to an intermediate district that has a constituent district described in subsection (2) to provide state early intervention services for children described in subsection (1) who are

between age 3 and age 5. The intermediate district shall use these funds to provide state early intervention services that are similar to the services described in the early on Michigan state plan.

(4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$1,000,000.00 for 2022-2023 to the intermediate district described in subsection (3) to enroll children described in subsection (1) in school-day great start readiness programs, regardless of household income eligibility requirements contained in section 32d. The department shall administer this funding consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.

(3) (5) For 2022-2023 and 2023-2024, ~~2024-2025~~, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to children described in subsection (1).

(4) (6) For 2022-2023, ~~2024-2025~~, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$2,000,000.00 and for 2023-2024, there is allocated an amount not to exceed \$5,000,000.00 to an intermediate district that has a constituent district described in subsection (2) for interventions and supports for students in **grades** K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.

(7) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2022-2023 and 2023-2024 only for an early childhood collaborative that serves students located in a county with a population of not less than 390,000 or more than 450,000. The funds allocated under this subsection must be used to continue the expansion of early childhood services in response to an executive proclamation of emergency described in this section concerning drinking water.

(8) In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed \$5,000,000.00 for 2022-2023 for state restricted contingency funds. These contingency funds are not available for expenditure until they have been transferred to a section within this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(5) (9) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 11z. (1) The school aid countercyclical budget and foundation stabilization fund is created as a separate account in the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid countercyclical budget and foundation stabilization fund.

(3) The state treasurer shall direct the investment of the school aid countercyclical budget and foundation stabilization fund. The state treasurer shall credit to the school aid countercyclical budget and foundation stabilization fund interest and earnings from fund investments.

(4) Money in the school aid countercyclical budget and foundation stabilization fund at the close of a fiscal year remains in the school aid countercyclical budget and foundation stabilization fund and does not lapse to the state school aid fund or the general fund.

(5) Except as provided in subsections (6) and (7), money available in the school aid countercyclical budget and foundation stabilization fund may not be expended without a specific appropriation from the school aid countercyclical budget and foundation stabilization fund.

(6) If, for a given fiscal year, the department of treasury determines that proration of payments under this article will be required under section 296, the amount necessary to avoid proration, or an amount necessary to reduce proration, may be deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund. The state budget director shall notify the legislature of a deposit under this subsection at least 30 calendar days or 6 legislative session days, whichever is more, before a deposit is made. Funds deposited into the state school aid fund under this subsection must be used only to eliminate or reduce proration under this article, as required under section 296. If, after making final calculations under section 296, the amount deposited into the state school aid fund under this section exceeds the amount actually necessary to eliminate or reduce proration, the excess amount must be deposited back into the school aid countercyclical budget and foundation stabilization fund.

(7) If year-over-year revenues for the state school aid fund are projected to decline, as determined during the final revenue estimating conference of a given fiscal year, the gross year-over-year decline in state school aid fund revenue may be deposited from the school aid countercyclical budget and foundation stabilization fund into the state school aid fund. The state budget director shall notify the legislature of a deposit under this subsection at least 30 calendar days or 6 legislative session days, whichever is more, before a deposit is made.

(8) Funds deposited into the state school aid fund under this section must be appropriated only for purposes under article I.

(9) For the fiscal year ending September 30, 2023-2025 only, ~~\$450,000,000.00~~ **\$25,000,000.00** from the state school aid fund is deposited into the school aid countercyclical budget and foundation stabilization fund.

(10) As used in this section:

(a) "Revenue estimating conference" means a revenue estimating conference occurring in May as described in section 367b of the management and budget act, MCL 18.1367b.

(b) "Year-over-year" means a comparison of the fiscal year in which calculations are being made to the fiscal year immediately preceding the fiscal year in which calculations are being made.

Sec. 11bb. (1) From the federal fund money appropriated under section 11, there is allocated for 2023-2024 the amount remaining, estimated at \$13,300,000.00, from the federal funding awarded to this state that has reverted to the governor's emergency education relief fund under provisions of section 2002 of the American rescue plan act of 2021, Public Law 117-2, for the purposes described in this section.

(2) The department shall make funding under this section available to districts and intermediate districts in the same proportion as funding was made available to districts and intermediate districts under the formula distribution of the original governor's emergency education relief fund dollars received and distributed by the state under the coronavirus aid, relief, and economic security act, Public Law 116-136.

(3) Districts and intermediate districts shall use funding received under this section for allowable uses to respond to the COVID-19 public health emergency and its negative impacts, including, but not limited to, its negative impacts on mental health, as determined by the department.

(4) The department shall develop a process to award and make funding available to districts and intermediate districts in a time frame that allows districts and intermediate districts to properly obligate these funds before the federal obligation deadlines for these funds.

(5) The department may utilize a portion of funding allocated under this section, up to the amount allowable under federal guidance, for the purposes of administering this section.

Sec. 12c. (1) From the school consolidation and infrastructure fund created under section 11x, there is allocated for 2023-2024 only an amount not to exceed ~~\$245,000,000.00~~ **\$135,000,000.00 for grants to districts and intermediate districts to support the initial costs related to the consolidation or the consolidation of services identified in the feasibility study or analysis conducted under section 11x.**

(2) From the amount allocated in subsection (1), an amount not to exceed \$25,000,000.00 may be awarded by the department to districts and intermediate districts to support districts experiencing infrastructure emergencies. All of the following apply to emergency infrastructure funding under this subsection:

(a) Districts and intermediate districts must apply for the funding in a form and manner prescribed by the department. A district or intermediate district applying for funding under this subsection is not required to complete a feasibility study or analysis described in section 11x or a facility condition assessment described in section 11y.

(b) Before funding may be awarded to a district or intermediate district that applied under this subsection, the superintendent must submit a request for the funding in writing to the state treasurer and the state budget director that contains all of the following information:

(i) A description of the emergency nature of the funding.

(ii) The scope of the funding request.

(iii) The estimated cost of the funding request.

(iv) Any other information requested by the state treasurer or the state budget director regarding the funding request.

(c) The state treasurer and the state budget director shall evaluate the information received under subdivision (b) and determine whether the funding will be used for an eligible purpose as described in this subsection and whether the district or intermediate district has access to other funds that could be utilized before emergency funding is made available.

(d) If the state treasurer and state budget director provide written concurrence to the superintendent that funding will be utilized in accordance with this subsection, the department may award emergency funding to the district or intermediate district that applied for funding.

(e) Funding awarded under this subsection may be utilized only on emergency infrastructure needs that threaten the immediate health and safety of students and staff in the district or intermediate district and prevent or obstruct the use of a building or portion of a building for learning.

(f) The state budget director shall notify the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies of awards made under this subsection within 30 days of funding being distributed to a district or intermediate district.

(3) (2) To Except as otherwise provided in this section, to be eligible for funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department. An intermediate district may apply for funding on behalf of a district if the intermediate district is providing the consolidated services. An application described in this subsection must include all of the following:

(a) An assurance that the district or intermediate district was included in a feasibility study or analysis conducted under section 11x.

(b) An assurance that the consolidation or the consolidated service or services being funded were included as a recommendation in a feasibility study or analysis conducted under section 11x.

(c) A brief description of how the district or intermediate district plans to implement changes, as outlined in a feasibility study or analysis conducted under section 11x, where possible.

(d) An assurance that the district or intermediate district will submit to the department an annual report documenting the estimated savings produced as a result of the consolidation or the consolidation of services.

(e) A budget of the estimated first-year costs associated with the consolidation or the consolidation of services, in the form and manner prescribed by the department.

(4) (3) If Except as otherwise provided in this section, if funding under this section is ~~not sufficient~~ **insufficient** to fully fund all applicants, the department shall do either of the following:

(a) Ensure that awards under this section are determined based upon a competitive grant process.

(b) Distribute funds under this section on a prorated or other equitable basis as determined by the department.

(5) (4) Each Except for funding received under subsection (2) and except as otherwise provided in this section, each intermediate district that receives funding under this section and also ~~receives received~~ funding under section ~~11x(6)~~ **11x** for 2022-2023 shall, in consultation with its constituent districts that receive funds under this section, submit a report to the department **by not later than June 30, 2025. Each Except for funding received under subsection (2) and except as otherwise provided in this section, each** district that receives funding under this section and also ~~receives received~~ funding under section ~~11x(6)~~ **11x** that is separate from the funding received by its intermediate district for 2022-2023 shall submit a report to the department by not later than June 30, 2025. The report must include all of the following information regarding the consolidation or consolidation of services supported by funding under this section, in the form and manner prescribed by the department:

(a) The amount previously spent on each consolidation or consolidation of service in the prior fiscal year.

(b) The number of students impacted by the consolidation or the consolidation of service.

(c) The vendors, third-party entities, or other educational entities used for consolidation or to consolidate the service or services.

(d) The impact on student learning attributable to money reallocated as a result of the consolidation or consolidated service or services.

(e) A total of cost savings produced as a result of the consolidation or the consolidation of services, in the form and manner prescribed by the department.

(6) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to award grants for consolidation or the consolidation of services. The estimated completion date of the work project is September 30, 2027.

(7) (5)-As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

Sec. 12d. (1) From the school consolidation and infrastructure fund created under section 11x, there is allocated for 2023-2024 only an amount not to exceed \$110,000,000.00 for the purposes of this section.

(2) From the amount allocated in subsection (1), there is allocated an amount not to exceed \$75,000,000.00 for grants to districts and intermediate districts to support costs related to internal consolidation within the district or intermediate district. All of the following apply to grants under this subsection:

(a) The department shall allow grants for applicants that have already taken actions for internal consolidation within the previous 2 years and grants for applicants that have not yet begun internal consolidation activities.

(b) The department shall prioritize applications from districts and intermediate districts that meet any of the following criteria:

(i) Are in an opportunity index band, as described in section 31a, of 3 or higher.

(ii) Are an intermediate district for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be in an opportunity index band, as described in section 31a, of 3 or higher.

(iii) Are experiencing declining enrollment.

(iv) Have no ability to issue bonds for infrastructure needs, or have made a good-faith effort, as determined by the department, to issue bonds for infrastructure needs.

(c) Grants may be used for operational expenses related to internal consolidation and for infrastructure needs. Infrastructure needs may include, but are not limited to, the removal of buildings.

(3) From the amount allocated in subsection (1), \$35,000,000.00 is allocated as follows:

(a) \$15,000,000.00 to Detroit Public Schools Community District to support the construction of the Cooley High School athletic complex.

(b) \$10,000,000.00 to Wayne RESA to support the construction of an academic and professional building in the city of Wayne.

(c) \$5,000,000.00 to Beecher Community School District to support the construction of a high school in the district.

(d) \$4,000,000.00 to Taylor School District for costs related to a new high school in the district.

(e) \$1,000,000.00 to the School District of the City of Hamtramck to support the costs of building infrastructure upgrades and maintenance.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 15. (1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the deficiency in the next apportionment. Subject to subsections (2) and (3), if a district or intermediate district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211.

(2) If the result of an audit conducted by or for the department affects the current fiscal year membership, the department shall adjust affected payments in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, must be deducted from the district's apportionments when the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an additional 4 years for the adjustment and may advance payments to the district otherwise authorized under this article if the district would otherwise experience a significant hardship in satisfying its financial obligations. However, a district that presented satisfactory evidence of hardship and was undergoing an extended adjustment during 2018-2019 may continue to use the period of extended adjustment as originally granted by the department.

(3) If, based on an audit by the department or the department's designee or because of new or updated information received by the department, the department determines that the amount paid to a district or intermediate district under this article for the current fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate deduction or payment in the district's or intermediate district's allocation in the next apportionment after the adjustment is finalized. The department shall calculate the deduction or payment according to the law in effect in the fiscal year in which the incorrect amount was paid. If the district does not receive an allocation for the fiscal year or if the allocation is ~~not sufficient~~ **insufficient** to pay the amount of any deduction, the amount of any deduction otherwise applicable must be satisfied from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211, as determined by the department.

(4) If the department makes an adjustment under this section based in whole or in part on a membership audit finding that a district or intermediate district employed an educator in violation of certification requirements under the revised school code and rules promulgated by the department, the department shall prorate the adjustment according to the period of noncompliance with the certification requirements.

(5) The department may conduct audits, or may direct audits by designee of the department, for the current fiscal year and the immediately preceding fiscal year of all records related to a program for which a district or intermediate district has received funds under this article.

(6) Expenditures made by the department under this article that are caused by the write-off of prior year accruals may be funded by revenue from the write-off of prior year accruals.

(7) In addition to funds appropriated in section 11 for all programs and services, there is appropriated for 2023-2024-2024-2025 for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

Sec. 20. (1) All of the following apply:

(a) For 2022-2023, the target foundation allowance is \$9,150.00.

(b) For 2023-2024, 2024-2025, the target foundation allowance is \$9,608.00.

(2) The department shall calculate the amount of each district's foundation allowance as provided in this section, using a target foundation allowance in the amount specified in subsection (1).

(3) Except as otherwise provided in this section, the department shall calculate the amount of a district's foundation allowance as follows, using in all calculations the total amount of the district's foundation allowance as calculated before any proration:

(a) For a district that had a foundation allowance for the immediately preceding fiscal year that was equal to the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance in an amount equal to the target foundation allowance described in subsection (1) for the current fiscal year.

(b) For a district that had a foundation allowance for the immediately preceding fiscal year that was greater than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for the immediately preceding fiscal year plus any per pupil amount calculated under section 20m(2) in the immediately preceding fiscal year plus the increase in the target foundation allowance for the current fiscal year, as compared to the immediately preceding fiscal year) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b).

(c) For a district that had a foundation allowance in the immediately preceding fiscal year that was less than the target foundation allowance in effect for that fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of district's foundation allowance for the immediately preceding fiscal year plus any per pupil amount calculated under section 20m(2) in the immediately preceding fiscal year plus the increase in the target foundation allowance for the current fiscal year, as compared to the immediately preceding fiscal year) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b).

(d) For a district that has a foundation allowance that is not a whole dollar amount, the department shall round the district's foundation allowance up to the nearest whole dollar.

(4) Except as otherwise provided in this subsection, the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or the target foundation allowance for the current fiscal year, whichever is less, minus the local portion of the district's foundation allowance. Except as otherwise provided in this subsection, for a district described in subsection (3)(b) and (c), the state portion of the district's foundation allowance is an amount equal to the target foundation allowance minus the district's foundation allowance supplemental payment per pupil calculated under section 20m and minus the local portion of the district's foundation allowance. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the department shall calculate the state portion of the district's foundation allowance as if that reduction did not occur. For a receiving district, if school operating taxes continue to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, the taxable value per membership pupil of property in the receiving district used for the purposes of this subsection does not include the taxable value of property within the geographic area of the dissolved district. For a community district, if school operating taxes continue to be levied by a qualifying school district under section 12b of the revised school code, MCL 380.12b, with the same geographic area as the community district, the taxable value per membership pupil of property in the community district to be used for the purposes of this subsection does not include the taxable value of property within the geographic area of the community district.

(5) The allocation calculated under this section for a pupil is based on the foundation allowance of the pupil's district of residence. For a pupil enrolled under section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section is based on the lesser of the foundation

allowance of the pupil's district of residence or the foundation allowance of the educating district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section is based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

(6) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to the target foundation allowance specified in subsection (1), or, for a public school academy that was issued a contract under section 552 of the revised school code, MCL 380.552, to operate as a school of excellence that is a cyber school, \$9,150.00. Notwithstanding section 101, for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection must be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation must not exceed the amount per membership pupil otherwise calculated under this subsection.

(7) For pupils in membership, other than special education pupils, in a community district, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the community district equal to the foundation allowance of the qualifying school district, as described in section 12b of the revised school code, MCL 380.12b, that is located within the same geographic area as the community district.

(8) Subject to subsection (4), for a district that is formed or reconfigured after June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting district's foundation allowance under this section beginning after the effective date of the consolidation or annexation is the lesser of the sum of the average of the foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district who reside in the geographic area of each of the original or affected districts plus \$100.00 or the highest foundation allowance among the original or affected districts. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

(9) The department shall round each fraction used in making calculations under this section to the fourth decimal place and shall round the dollar amount of an increase in the target foundation allowance to the nearest whole dollar.

~~(10) For 2022-2023, state payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated as follows:~~

~~(a) Twenty-five percent is calculated under section 51a.~~

~~(b) Seventy-five percent is calculated under section 51e.~~

~~(10) (11) For 2023-2024, state State payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated under section 51e.~~

~~(11) (12) To assist the legislature in determining the target foundation allowance for the subsequent fiscal year, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must calculate a pupil membership factor, a revenue adjustment factor, and an index as follows:~~

~~(a) The pupil membership factor is computed by dividing the estimated membership in the school year ending in the current fiscal year, excluding intermediate district membership, by the estimated membership for the school year ending in the subsequent fiscal year, excluding intermediate district membership. If a consensus membership factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.~~

~~(b) The revenue adjustment factor is computed by dividing the sum of the estimated total state school aid fund revenue for the subsequent fiscal year plus the estimated total state school aid fund revenue for the current fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund and excluding money transferred into that fund from the countercyclical budget and economic stabilization fund under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated total school aid fund revenue for the current fiscal year plus the estimated total state school aid fund revenue for the immediately preceding fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund. If a consensus revenue factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.~~

(c) The index is calculated by multiplying the pupil membership factor by the revenue adjustment factor. If a consensus index is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for state school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(12) (13)-Payments to districts and public school academies are not made under this section. Rather, the calculations under this section are used to determine the amount of state payments under section 22b.

(13) (14)-If an amendment to section 2 of article VIII of the state constitution of 1963 allowing state aid to some or all nonpublic schools is approved by the voters of this state, each foundation allowance or per-pupil payment calculation under this section may be reduced.

(14) (15)-As used in this section:

(a) “Certified mills” means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.

(b) “Current fiscal year” means the fiscal year for which a particular calculation is made.

(c) “Dissolved district” means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(d) “Immediately preceding fiscal year” means the fiscal year immediately preceding the current fiscal year.

(e) “Local portion of the district’s foundation allowance” means an amount that is equal to the difference between (the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district’s certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills) and (the quotient of the product of the captured assessed valuation under tax increment financing acts times the district’s certified mills divided by the district’s membership excluding special education pupils).

(f) “Membership” means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(g) “Nonexempt property” means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(h) “Principal residence”, “qualified agricultural property”, “qualified forest property”, “supportive housing property”, “industrial personal property”, and “commercial personal property” mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(i) “Receiving district” means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(j) “School operating purposes” means the purposes included in the operation costs of the district as prescribed in sections 7 and 18 and purposes authorized under section 1211 of the revised school code, MCL 380.1211.

(k) “School operating taxes” means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes.

(l) “Tax increment financing acts” means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(m) “Taxable value per membership pupil” means taxable value, as certified by the county treasurer and reported to the department, for the calendar year ending in the current state fiscal year divided by the district’s membership excluding special education pupils for the school year ending in the current state fiscal year.

Sec. 20d. In making the final determination required under former section 20a of a district’s combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for 2023-2024, 2024-2025, the department and the department of treasury shall comply with all of the following:

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district under this act in 1993-94 excludes payments made under former section 146 and under section 147 on behalf of the district’s employees who provided direct services to the area vocational education center. Not later than June 30, 1996, the department shall make an adjustment under this subdivision to the district’s combined state and local revenue per membership pupil in the 1994-95 fiscal year and the department of treasury shall make a final certification of the number of mills that may be levied by the district under section 1211 of the revised school code, MCL 380.1211, as a result of the adjustment under this subdivision.

(b) If a district had an adjustment made to its 1993-94 total state school aid that excluded payments made under former section 146 and under section 147 on behalf of the district’s employees who provided direct

services for intermediate district center programs operated by the district under former section 51 and sections 51a to 56, if nonresident pupils attending the center programs were included in the district's membership for purposes of calculating the combined state and local revenue per membership pupil for 1993-94, and if there is a signed agreement by all constituent districts of the intermediate district agreeing to an adjustment under this subdivision, the department shall calculate the foundation allowances for 1995-96 and 1996-97 of all districts that had pupils attending the intermediate district center program operated by the district that had the adjustment as if their combined state and local revenue per membership pupil for 1993-94 included resident pupils attending the center program and excluded nonresident pupils attending the center program.

Sec. 21h. (1) From the state school aid fund money appropriated in section 11, there is allocated \$6,137,400.00 for ~~2023-2024~~ **2024-2025** for assisting districts assigned by the superintendent to participate in a partnership and districts that ~~have established a community engagement advisory committee in partnership with the department of treasury,~~ are required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and are located in a city with a population between 8,000 and 10,000 as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, to improve student achievement and district financial stability. The superintendent shall ~~collaborate with the state treasurer to identify any conditions that may be contributing to low academic performance within a district being considered for assignment to a partnership.~~ The purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and nonprofit organizations to coordinate resources and improve student achievement. Assignment of a district to a partnership is made by the superintendent. ~~in consultation with the state treasurer.~~

(2) A district described in subsection (1) is eligible for funding under this section if the district includes at least 1 school that has been identified as low performing under the approved federal accountability system or the state accountability system. A district described in this subsection must do all of the following to be eligible for funding under this section:

(a) For a partnership district under this section, within 90 days of assignment to the partnership described in this section, and for a district described in subsection (1) that is not a partnership district under this section, ~~by October 15 of each year,~~ complete a comprehensive needs assessment or evaluation in collaboration with an intermediate district, community members, education organizations, and postsecondary institutions, as applicable, that is approved by the superintendent. The comprehensive needs assessment or evaluation must include at least all of the following:

(i) A review of the district's implementation and utilization of a multi-tiered system of supports to ensure that it is used to appropriately inform instruction.

(ii) A review of the district and school building leadership and educator capacity to substantially improve student outcomes.

(iii) A review of classroom, instructional, and operational practices and curriculum to ensure alignment with research-based instructional practices and state curriculum standards.

(b) Develop an academic and financial operating or intervention plan that has been approved by the superintendent and that addresses the needs identified in the comprehensive needs assessment or evaluation completed under subdivision (a). The intervention plan must include at least all of the following:

(i) Specific actions that will be taken by the district and each of its partners to improve student achievement.

(ii) Specific measurable benchmarks that will be met within 18 months to improve student achievement and identification of expected student achievement outcomes to be attained within 3 years after assignment to the partnership.

(c) Craft academic goals that put pupils on track to meet or exceed grade level proficiency, increase high school graduation rates, reduce class sizes, and improve attendance rates.

(d) Provide access to training for district leadership, including, but not limited to, the superintendent or chief administrator and school board or board of directors members, on areas of education fiscal and policy matters.

(3) Upon approval of the academic and financial operating or intervention plan developed under subsection (2), the department ~~, in collaboration with the department of treasury,~~ shall assign a team of individuals with expertise in comprehensive school and district reform to partner with the district, the intermediate district, community organizations, education organizations, and postsecondary institutions identified in the academic and financial operating or intervention plan to review the district's use of existing financial resources to ensure that those resources are being used as efficiently and effectively as possible to improve student academic achievement and to ensure district financial stability. The superintendent of public instruction may waive burdensome administrative rules for a partnership district for the duration of the partnership agreement and for a district described in subsection (1) that is not a partnership district under this section and that receives funding under this section in the current fiscal year.

(4) Funds allocated under this section, excluding funds allocated under subsection (5), may be used to pay for district expenditures approved by the superintendent to improve student achievement. Funds may be used for professional development for teachers or district or school leadership, increased instructional time, teacher mentors, or other expenditures that directly impact student achievement and cannot be paid from existing district financial resources. ~~An eligible district must not receive funds under this section for more than 3 years.~~ Notwithstanding section 17b, the department shall make payments to districts under this section on a schedule determined by the department.

(5) From the funds allocated under subsection (1), there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to be used by districts described in subsection (1). The superintendent of public instruction shall require districts described in subsection (1) to purchase a data analytics tool funded under this subsection as part of the agreements described in this section.

(6) The department, ~~in consultation with the department of treasury,~~ shall annually report to the legislature on the activities funded under this section and how those activities impacted student achievement in districts that received funds under this section. To the extent possible, participating districts receiving funding under this section shall participate in the report.

(7) In addition to the allocation under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$36,000,000.00 to districts described in subsection (1) for 2023-2024 only for supplemental funding to be used by districts for the purposes of this section in equal installments of \$12,000,000.00 in each of the fiscal years 2023-2024, 2024-2025, and 2025-2026. The funds allocated under this subsection for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to provide assistance to districts eligible for funding under this section. The estimated completion date of the work project described in this subsection is September 30, 2026.

Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,327,000,000.00~~ **\$4,144,000,000.00** for ~~2022-2023~~ **2023-2024** and there is allocated an amount not to exceed ~~\$4,206,000,000.00~~ **\$3,993,000,000.00** for **2023-2024-2024-2025** for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per-pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22b and 51c to fully fund those allocations for the same fiscal year.

(2) To ensure that a district receives an amount equal to the district's 1994-95 total state and local per-pupil revenue for school operating purposes, there is allocated to each district a state portion of the district's 1994-95 foundation allowance in an amount calculated as follows:

(a) Except as otherwise provided in this subsection, the state portion of a district's 1994-95 foundation allowance is an amount equal to the district's 1994-95 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills and the quotient of the ad valorem property tax revenue of the district captured under tax increment financing acts divided by the district's membership. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the department shall calculate the state portion of the district's foundation allowance as if that reduction did not occur. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil of all property in the receiving district that is nonexempt property and taxable value per membership pupil of property in the receiving district that is commercial personal property do not include property within the geographic area of the dissolved district; ad valorem property tax revenue of the receiving district captured under tax increment financing acts does not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts; and certified mills do not include the certified mills of the dissolved district. For a community district, the department shall reduce the allocation as otherwise calculated under this section by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is offset by the increase in funding under section 22b(2).

(b) For a district that had a 1994-95 foundation allowance greater than \$6,500.00, the state payment under this subsection is the sum of the amount calculated under subdivision (a) plus the amount calculated under this subdivision. The amount calculated under this subdivision must be equal to the difference between the district's 1994-95 foundation allowance minus \$6,500.00 and the current year hold harmless school operating taxes per pupil. If the result of the calculation under subdivision (a) is negative, the negative amount is an offset against any state payment calculated under this subdivision. If the result of a calculation under this subdivision is negative, there is not a state payment or a deduction under this subdivision. The taxable values per membership pupil used in the calculations under this subdivision are as adjusted by ad valorem property tax revenue captured under tax increment financing acts divided by the district's membership. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, ad valorem property tax revenue captured under tax increment financing acts do not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts.

(3) For pupils in membership in a qualifying public school academy, there is allocated under this section to the authorizing body that is the fiscal agent for the qualifying public school academy for forwarding to the qualifying public school academy an amount equal to the 1994-95 per-pupil payment to the qualifying public school academy under section 20.

(4) A district or qualifying public school academy may use funds allocated under this section in conjunction with any federal funds for which the district or qualifying public school academy otherwise would be eligible.

(5) Except as otherwise provided in this subsection, for a district that is formed or reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation, the resulting district's 1994-95 foundation allowance under this section beginning after the effective date of the consolidation or annexation is the average of the 1994-95 foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district in the fiscal year in which the consolidation takes place who reside in the geographic area of each of the original districts. If an affected district's 1994-95 foundation allowance is less than the 1994-95 basic foundation allowance, the amount of that district's 1994-95 foundation allowance is considered for the purpose of calculations under this subsection to be equal to the amount of the 1994-95 basic foundation allowance. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district.

(6) Payments under this section are subject to section 25g.

(7) As used in this section:

(a) "1994-95 foundation allowance" means a district's 1994-95 foundation allowance calculated and certified by the department of treasury or the superintendent under former section 20a as enacted in 1993 PA 336 and as amended by 1994 PA 283.

(b) "Certified mills" means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.

(c) "Current fiscal year" means the fiscal year for which a particular calculation is made.

(d) "Current year hold harmless school operating taxes per pupil" means the per-pupil revenue generated by multiplying a district's 1994-95 hold harmless millage by the district's current year taxable value per membership pupil. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil does not include the taxable value of property within the geographic area of the dissolved district.

(e) "Dissolved district" means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(f) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance greater than \$6,500.00, the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy could be reduced as provided in section 1211 of the revised school code, MCL 380.1211, and the number of mills of school operating taxes that could be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

(g) “Membership” means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(h) “Nonexempt property” means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(i) “Principal residence”, “qualified agricultural property”, “qualified forest property”, “supportive housing property”, “industrial personal property”, and “commercial personal property” mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(j) “Qualifying public school academy” means a public school academy that was in operation in the 1994-95 school year and is in operation in the current fiscal year.

(k) “Receiving district” means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(l) “School operating taxes” means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes as defined in section 20.

(m) “Tax increment financing acts” means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(n) “Taxable value per membership pupil” means each of the following divided by the district’s membership:

(i) For the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy may be reduced as provided in section 1211 of the revised school code, MCL 380.1211, the taxable value of principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, mills do not include mills within the geographic area of the dissolved district.

(ii) For the number of mills of school operating taxes that may be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, the taxable value of all property for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

Sec. 22b. (1) Except as otherwise provided in this section, for discretionary nonmandated payments to districts under this section, there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed ~~\$5,663,000,000.00~~ **\$6,219,000,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community district education trust fund appropriation in section 11, and there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$6,236,200,000.00~~ **\$6,213,000,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~\$72,000,000.00~~ **\$41,000,000.00** from the community district education trust fund appropriation in section 11. For ~~2022-2023~~, ~~\$22,400,000.00~~ **2023-2024**, **\$33,700,000.00** must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2023-2024~~, ~~\$28,200,000.00~~ **2024-2025**, **the amount necessary, estimated at \$70,200,000.00** must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of ~~\$72,000,000.00~~, **\$41,000,000.00**, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. If the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection. Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year.

(2) Subject to subsection (3) and section 296, the allocation to a district under this section is an amount equal to the sum of the amounts calculated under sections 20, 20m, 51a(2), 51a(3), 51a(11), and 51e, minus

the sum of the allocations to the district under sections 22a and 51c. For a community district, the allocation as otherwise calculated under this section is increased by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and this increase must be paid from the community district education trust fund allocation in subsection (1) ~~in order to~~ offset the absence of local school operating revenue in a community district in the funding of the state portion of the foundation allowance under section 20(4).

(3) ~~In order to~~ **To** receive an allocation under subsection (1), each district must do all of the following:

- (a) Comply with section 1280b of the revised school code, MCL 380.1280b.
- (b) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.
- (c) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.
- (d) Comply with section 1230g of the revised school code, MCL 380.1230g.
- (e) Comply with section 21f.
- (f) For a district that has entered into a partnership agreement with the department, comply with section 22p.

(4) Districts are encouraged to use funds allocated under this section for the purchase and support of payroll, human resources, and other business function software that is compatible with that of the intermediate district in which the district is located and with other districts located within that intermediate district.

(5) From the allocation in subsection (1), the department shall pay up to \$1,000,000.00 in litigation costs incurred by this state related to commercial or industrial property tax appeals, including, but not limited to, appeals of classification, that impact revenues dedicated to the state school aid fund.

(6) From the allocation in subsection (1), the department shall pay up to \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by 1 or more districts or intermediate districts against this state. If the allocation under this section is insufficient to fully fund all payments required under this section, the payments under this subsection must be made in full before any proration of remaining payments under this section.

(7) It is the intent of the legislature that all constitutional obligations of this state have been fully funded under sections 22a, 31d, 51a, 51c, 51e, and 152a. If a claim is made by an entity receiving funds under this article that challenges the legislative determination of the adequacy of this funding or alleges that there exists an unfunded constitutional requirement, the state budget director may escrow or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the claim before making any payments to districts under subsection (2). If funds are escrowed, the escrowed funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of litigation. The work project is completed upon resolution of the litigation.

(8) If the local claims review board or a court of competent jurisdiction makes a final determination that this state is in violation of section 29 of article IX of the state constitution of 1963 regarding state payments to districts, the state budget director shall use work project funds under subsection (7) or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the amount owed to districts before making any payments to districts under subsection (2).

(9) If a claim is made in court that challenges the legislative determination of the adequacy of funding for this state's constitutional obligations or alleges that there exists an unfunded constitutional requirement, any interested party may seek an expedited review of the claim by the local claims review board. If the claim exceeds \$10,000,000.00, this state may remove the action to the court of appeals, and the court of appeals has and shall exercise jurisdiction over the claim.

(10) If payments resulting from a final determination by the local claims review board or a court of competent jurisdiction that there has been a violation of section 29 of article IX of the state constitution of 1963 exceed the amount allocated for discretionary nonmandated payments under this section, the legislature shall provide for adequate funding for this state's constitutional obligations at its next legislative session.

(11) If a lawsuit challenging payments made to districts related to costs reimbursed by federal title XIX Medicaid funds is filed against this state, then, for the purpose of addressing potential liability under such a lawsuit, the state budget director may place funds allocated under this section in escrow or allocate money from the funds otherwise allocated under this section, up to a maximum of 50% of the amount allocated in subsection (1). If funds are placed in escrow under this subsection, those funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of the litigation. The work project is completed upon resolution of the litigation. In addition, this state reserves the right to terminate

future federal title XIX Medicaid reimbursement payments to districts if the amount or allocation of reimbursed funds is challenged in the lawsuit. As used in this subsection, “title XIX” means title XIX of the social security act, 42 USC 1396 to 1396w-6.

~~(12) For 2022-2023 only, from the allocation in subsection (1) the department may use the amount necessary, estimated at \$1,000,000.00, for payments to districts for state compliance with federal maintenance of equity requirements described in the American rescue plan act of 2021, Public Law 117-2. Notwithstanding section 17b, the department shall make calculations and payments under this subsection in a form and manner determined by the department.~~

~~(12) (13)~~ As used in this section:

(a) “Dissolved district” means that term as defined in section 20.

(b) “Local school operating revenue” means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.

(c) “Receiving district” and “school operating taxes” mean those terms as defined in section 20.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to \$171.00. As used in this section:

(a) “Eligible district” means a district that received payments under this section in the immediately preceding fiscal year and for which the local school operating revenue per membership pupil in the current school fiscal year exceeds the district’s foundation allowance as calculated under section 20 for the current fiscal year.

(b) “Local school operating revenue” means that term as defined in section 22b.

(c) “Local school operating revenue per membership pupil” means a district’s local school operating revenue divided by the district’s membership excluding special education pupils.

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, ~~an amount not to exceed \$8,858,000.00 is allocated for 2022-2023 and an amount not to exceed \$11,601,000.00~~ **\$12,306,900.00** is allocated for ~~2023-2024~~ **2024-2025** for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2022-2023 an amount not to exceed \$1,638,300.00 and there is allocated for 2023-2024~~ **2024-2025** an amount not to exceed ~~\$3,520,200.00~~ **\$3,734,400.00** for payments under this subsection to eligible districts. A district that meets all of the following is an eligible district under this subsection:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

(c) Each school building operated by the district meets at least 1 of the following:

(i) Is located in the Upper Peninsula at least 30 miles from any other public school building.

(ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) is determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan must be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and must be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (7), from the allocation in subsection (1), there is allocated for ~~2022-2023 an amount not to exceed \$7,219,700.00 and there is allocated for 2023-2024~~ **2024-2025** an amount not to exceed ~~\$7,580,800.00~~ **\$8,042,100.00** for payments under this subsection to districts that have fewer than 10.0 pupils per square mile, as determined by the department, or that have greater than 250 square miles.

(5) The funds allocated under subsection (4) are allocated as follows:

(a) ~~For 2022-2023, an amount equal to \$5,470,400.00 and for 2023-2024, an~~ **An amount equal to \$5,743,900.00** ~~\$6,093,400.00~~ is allocated to districts with fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-pupil basis.

(b) The balance of the funding under subsection (4) is allocated as follows:

(i) For districts with at least 8.0 but fewer than 9.0 pupils per square mile, as determined by the department, the allocation is an amount per pupil equal to 75% of the per-pupil amount allocated to districts under subdivision (a).

(ii) For districts with at least 9.0 but fewer than 10.0 pupils per square mile, as determined by the department, the allocation is an amount per pupil equal to 50% of the per-pupil amount allocated to districts under subdivision (a).

(iii) For districts that have greater than 250 square miles, have at least 10.0 pupils per square mile, and do not receive funding under subsection (2), as determined by the department, the allocation is an amount per pupil equal to 100% of the per-pupil amount allocated to districts under subdivision (a).

(c) If the total funding allocated under subdivision (b) is ~~not sufficient~~ **insufficient** to fully fund payments as calculated under that subdivision, the department shall prorate payments to districts under subdivision (b) on an equal per-pupil basis. If funding allocated under subdivision (b) remains unallocated after making calculations under that subdivision, the department may provide the remaining unallocated funding on an equal per-pupil basis to districts receiving funding under subdivision (b)(i) and (ii).

(6) Subject to subsection (7), from the allocation under subsection (1), there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$500,000.00~~ **\$530,400.00** for payments under this subsection to districts where each school building operated by the district is located on an island that is accessible by bridge.

(7) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4) or (6). A district receiving funds allocated under subsection (6) is not eligible for funding under subsection (2) or (4).

Sec. 22e. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$57,000,000.00 for payments to public school academies in an amount per pupil equal to 3.9% of the public school academy's foundation allowance under section 20. It is the intent of the legislature that payments under this section be used to support student mental health, school safety, educator workforce, and academic interventions.

(2) To be eligible for funding under this section, a public school academy must not be a participating entity of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437. As used in this subsection, "participating entity" means that term as defined in section 147c.

Sec. 22f. (1) From the school transportation fund money appropriated under section 11, there is allocated for ~~2023-2024~~ 2024-2025 only an amount not to exceed \$125,000,000.00 to districts and intermediate districts for transportation costs. Funding for each district or intermediate district is as follows:

(a) The department must assign each district and intermediate district to a ~~quartile~~ an **octile based on the number of riders per square mile and calculate the median cost per rider for each ~~quartile~~ **octile**.**

(b) Funds must be distributed to each district and intermediate district as follows:

(i) An initial amount at the lesser of the ~~quartile's~~ **octile's** median cost per rider or the actual transportation cost per general education ~~student-rider~~ at the district or intermediate district.

(ii) An additional amount for districts and intermediate districts that have outlier costs per rider that are deemed reasonable, as determined by the department.

(c) If funds are insufficient to fully fund payments under this section, payments may be prorated on an equal percentage basis.

(2) In addition to the funds allocated under subsection (1), from the school transportation fund money appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$200,000.00 to an intermediate district for a study on district transportation costs. The intermediate district receiving funds under this subsection must submit a report to the department, the state budget director, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies by February 29, 2024 on the outcomes of the study under this subsection. **Notwithstanding section 18a, funds allocated under this subsection may be available for expenditure until September 30, 2026. A recipient of funding under this subsection must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2026.**

(3) To remain eligible for funding under subsection (1), by not later than December 1 of the current fiscal year, a school district must submit, in a form and manner determined by the department, to their intermediate district, and a public school academy must submit, in a form and manner determined by the department, to the intermediate district in which the public school academy is located, the number of nonpublic school students the district expects to transport as required under section 1321 of the revised school code, MCL 380.1321. Intermediate districts shall submit this information to the department by not later than February 1.

(4) The department shall compile the reports provided by intermediate districts under subsection (3) into 1 legislative report. The department shall provide this report not later than March 1 of each fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

(5) (3)-Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 22m. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed \$3,500,000.00 for supporting the integration of local data systems into the Michigan data hub network based on common standards and applications that are in compliance with section 19(6).

(2) An entity that is the fiscal agent for no more than 5 consortia of intermediate districts that previously received funding from the technology readiness infrastructure grant under former section 22i for the purpose of establishing regional data hubs that are part of the Michigan data hub network is eligible for funding under this section.

(3) The center shall work with an advisory committee composed of representatives from intermediate districts within each of the data hub regions to coordinate the activities of the Michigan data hub network.

(4) The center, in collaboration with the Michigan data hub network, shall determine the amount of funds distributed under this section to each participating regional data hub within the network, based upon a competitive grant process. The center shall ensure that the entities receiving funding under this section represent geographically diverse areas in this state.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the center.

(6) To receive funding under this section, a regional data hub must have a governance model that ensures local control of data, data security, and student privacy issues. The integration of data within each of the regional data hubs must provide for the actionable use of data by districts and intermediate districts through common reports and dashboards and for efficiently providing information to meet state and federal reporting purposes.

(7) Participation in a data hub region in the Michigan data hub network under this section is voluntary and is not required.

(8) Entities receiving funding under this section shall use the funds for all of the following:

(a) Creating an infrastructure that effectively manages the movement of data between data systems used by intermediate districts, districts, and other educational organizations in Michigan based on common data standards to improve student achievement.

(b) Utilizing the infrastructure to put in place commonly needed integrations, reducing cost and effort to do that work while increasing data accuracy and usability.

(c) Promoting the use of a more common set of applications by promoting systems that integrate with the Michigan data hub network.

(d) Promoting 100% district adoption of the Michigan data hub network.

(e) Ensuring local control of data, data security, and student data privacy.

(f) Utilizing the infrastructure to promote the actionable use of data through common reports and dashboards that are consistent statewide.

(g) Creating a governance model to facilitate sustainable operations of the infrastructure in the future, including administration, legal agreements, documentation, staffing, hosting, and funding.

(h) Evaluating future data initiatives at all levels to determine whether the initiatives can be enhanced by using the standardized environment in the Michigan data hub network.

(9) Not-By not later than January 1 of each fiscal year, the center shall prepare a summary report of information provided by each entity that received funds under this section that includes measurable outcomes based on the objectives described under this section and a summary of compiled data from each entity to provide a means to evaluate the effectiveness of the project. The center shall submit the report to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

Sec. 22p. (1) Subject to subsection (2), ~~in order to~~ receive funding under section 22b, a district or public school academy that is assigned by the superintendent of public instruction as a partnership district must have a signed 3-year partnership agreement with the department that includes all of the following:

(a) Measurable academic outcomes that the district or public school academy will achieve for each school operated by the district or public school academy that is subject to the partnership agreement after 18 months and after 36 months from the date the agreement was originally signed. Measurable academic outcomes under this subdivision must include all of the following:

(i) Outcomes that put pupils on track to meet or exceed grade level proficiency and that are based on district or public school academy needs identified as required under section 21h.

(ii) Either of the following, as applicable:

(A) At least 1 proficiency or growth outcome based on state assessments described in section 104b or 104c.

(B) At least 1 proficiency or growth outcome based on a benchmark assessment described in section 104h. ~~or 104i, as applicable.~~

(iii) Outcomes that are intended to measure improved high school graduation rates, as applicable.

(iv) Outcomes that measure attendance rates.

(b) Accountability measures to be imposed if the district or public school academy does not achieve the measurable academic outcomes described in subdivision (a) for each school operated by the district or public school academy that is subject to the partnership agreement. For a district assigned as a partnership district as described in this subsection, accountability measures under this subdivision must include the reconstitution of the school. For a public school academy assigned as a partnership district as described in this subsection, accountability measures under this subdivision may include the reconstitution of the school.

(c) For a public school academy assigned as a partnership district as described in this subsection, a requirement that, if reconstitution is imposed on a school that is operated by the public school academy and that is subject to the partnership agreement, the school must be reconstituted as described in section 507, 528, or 561, as applicable, of the revised school code, MCL 380.507, 380.528, and 380.561.

(d) For a district assigned as a partnership district as described in this subsection, a provision that, if reconstitution is imposed on a school that is operated by the district and that is subject to the partnership agreement, reconstitution may require closure of the school building, but, if the school building remains open, reconstitution must include, but is not limited to, all of the following:

(i) The district shall make significant changes to the instructional and noninstructional programming of the school based on the needs identified through a comprehensive review of data in compliance with section 21h.

(ii) The district shall review whether the current principal of the school should remain as principal or be replaced.

(iii) The reconstitution plan for the school must require the adoption of goals similar to the goals included in the partnership agreement, with a limit of 3 years to achieve the goals. If the goals are not achieved within 3 years, the superintendent of public instruction shall impose a second reconstitution plan.

(2) If a district or public school academy is assigned as a partnership district as described in subsection (1) during the current fiscal year, it shall ensure that it has a signed partnership agreement as described in subsection (1) in place by not later than 90 days after the date that it is assigned as a partnership district. If a district or public school academy described in this subsection does not comply with this subsection, the department shall withhold funding under section 22b for that district or public school academy until the district or public school academy has a signed partnership agreement as described in subsection (1) in place.

Sec. 23g. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$150,000,000.00 for payments to eligible recipients for implementing the MI Kids Back-on-Track program as described in this section.

(2) The department shall pay to each eligible recipient an equal amount per membership pupil who is not proficient in math or reading based on the most recent state summative assessment. Eligible recipients must use funding received under this section only for costs related to implementation of the MI Kids Back-on-Track program as described in this section. Implementation costs of the program include, but are not limited to, costs related to staffing, high-quality training, curriculum needs, student transportation needs, technology needs, materials, any purpose for which any district previously used funds allocated under section 98c, or other costs incurred as a result of the provision of services for the program.

(3) From the allocation in subsection (1), there is allocated \$600,000.00 to the Clinton County Regional Educational Service Agency to work with the Michigan Association of Intermediate School Administrators (MAISA), to do all of the following:

(a) Provide a report on tutoring programs eligible to be purchased by eligible recipients using the funding allocated under subsection (1).

(b) Develop and provide technical assistance to eligible recipients in selecting high-impact tutoring strategies and include their integration into eligible recipients' Michigan Integrated Continuous Improvement Process (MICIP) plans. Developing and providing technical assistance may include the design and integration of eligible tutoring programs within the MiStrategyBank.

(c) Collect, aggregate, and report data in collaboration with the MAISA Michigan Collaborative Hub. An amount not to exceed \$300,000.00 of the funds allocated under this subsection may be used for this purpose.

(d) Provide an annual report of tutoring programs to the office of the governor, senate and house education committees, the senate and house appropriations subcommittees on school aid, the state budget director, and the department based on the criteria described in subsection (4) to be included in the MiStrategyBank, and the educational effectiveness as documented at least through data submitted through the Michigan data hub.

(4) The list of eligible tutoring programs contained within the MiStrategyBank must only consist of tutoring programs, including, but not limited to, those created by for-profit vendors, nonprofit vendors, intermediate districts, districts, and the Michigan Schools for the Deaf and Blind, that are aligned with high-impact tutoring that must include all of the following criteria:

- (a) Tutoring is provided in groups of 4 or fewer students.
 - (b) The tutor or tutors provide consistent service to students throughout the school year.
 - (c) Tutoring is provided a minimum of 3 times per week for at least 20 to 30 minutes per session.
 - (d) Except as otherwise provided in this subdivision, tutoring is implemented throughout the school day. Tutoring that is a before- or after-school program may be approved if the tutoring meets the other criteria described in this subsection.
 - (e) Trained tutors provide the tutoring. Trained tutors may include teachers, paraprofessionals, community providers, AmeriCorps members, or other individuals who have received training.
 - (f) The program uses a high-quality curriculum that utilizes research-based strategies that are aligned with state academic standards.
 - (g) Tutoring is data-driven and includes the use of formative assessments and student progress measures that meet criteria in subdivision (h).
 - (h) Progress monitoring is part of the tutoring program, and includes using curriculum-based measures that include all of the following:
 - (i) Identification of a valid, reliable progress monitoring assessment tool that is curriculum-based.
 - (ii) Implementation of standardized procedures for collecting data.
 - (iii) Standardized repeated assessments over time that are graphed.
 - (iv) Comparisons with a goal set using validated strategies.
 - (v) Collecting data with fidelity, documented by direct observation using a checklist with immediate performance feedback.
 - (vi) Graphed progress monitoring data that is reviewed by a team every 4 to 8 weeks to determine student response to intervention.
 - (i) Progress monitoring tools that must do all of the following:
 - (i) Have a sufficient number of alternate forms.
 - (ii) Specify minimum acceptable growth.
 - (iii) Provide criterion-referenced or norm-referenced benchmarks.
 - (iv) Possess validity and reliability for the performance score.
 - (j) Tutoring fidelity is established through direct observation using a checklist with immediate performance feedback provided by a qualified staff person, such as an instructional coach.
 - (k) Tutoring does not replace Tier 1 or core instruction time or curricula for reading or math.
 - (l) Tutoring is supplemental to core academic instruction and not a replacement for core academic instruction.
 - (m) Tutoring assessment and intervention is evidence-based, with experimental research studies, 1 of which must be published or pending publication in a peer-reviewed publication.
- (5) All tutoring programs in the MiStrategyBank must be reviewed by MAISA. If necessary, MAISA may convene a committee to review tutoring programs for inclusion in the MiStrategyBank. The committee described in this subsection must include all of the following members:
- (a) Two certified teachers representing elementary and secondary schools.
 - (b) A representative from the MiMTSS TA Center.
 - (c) A representative from an institution of higher education with a teacher preparation college.
 - (d) Two representatives of the department.
 - (e) One representative of the MAISA Michigan Collaboration Hub.
 - (f) An intermediate district designee with a background in English language arts.
 - (g) An intermediate district designee with a background in mathematics.
 - (6) A district, intermediate district, or the Michigan Schools for the Deaf and Blind that meets all of the following is an eligible recipient under this section:
 - (a) It applies for funding in a form and manner prescribed by the department. An intermediate district may apply on behalf of its constituent districts.
 - (b) It posts a MI Kids Back-on-Track plan to its website homepage that describes evidence-based actions the district, intermediate district, or Michigan Schools for the Deaf and Blind is taking to respond to student needs related to unfinished learning and how funds received under this section will create or expand these efforts. The plan described in this subdivision must meet the following criteria:
 - (i) Reflect input from educators, parents and legal guardians, and community members.
 - (ii) Include an analysis of student data and describe student needs.
 - (iii) Identify evidence-based best practices to be implemented or expanded in response to student needs.

(iv) Include a plan to implement identified tutoring in the district's, intermediate district's, or Michigan Schools for the Deaf and Blind's MICIP plan.

(c) It implements and maintains functionality on its website homepage that allows parents, legal guardians, and students to request additional assistance through the MI Kids Back-on-Track program.

(d) It provides transparency reporting on the MI Kids Back-on-Track program spending, including posting on its website a transparency dashboard concerning funding from the federal elementary and secondary school emergency relief fund used for the program, in a form and manner prescribed by the department.

(e) It ensures that all tutoring is supported by individuals who provide training and coaching. The individuals described in this subdivision shall meet all of the following criteria:

(i) Have established knowledge and expertise in all aspects of the tutoring program.

(ii) Support the integration of the tutoring into a school's multi-tiered systems of support framework.

(iii) Support and provide initial and ongoing professional development or training of tutors.

(iv) Participate in or lead data review meetings of graphed progress monitoring data of all students being tutored every 4 to 8 weeks.

(v) Provide fidelity checks for program implementation using a checklist with immediate performance feedback.

(f) By September 1 of each fiscal year for which it receives funding under this section, it pledges to provide data through MiDataHub that includes the outcomes and performance measures of the tutoring program, including, but not limited to, the degree to which tutoring is demonstrating sufficient efficacy and impact. The data submission under this subdivision must include all of the following:

(i) Children and schools receiving tutoring.

(ii) Number of children and schools served.

(iii) Demographics of children served.

(iv) Dosage of tutoring, including frequency and minutes per week.

(v) Percentage of tutoring occurring on days possible.

(vi) Whether the assessments and interventions are implemented with fidelity. This portion of the report must include details on the total number of assessments and intervention fidelity checks completed and the range and mean of fidelity.

(vii) Student growth rate, such as average linear, and outcomes by grade or age level, in comparison to a criterion-referenced or norm-referenced targeted growth rate.

(viii) Exit rates of students who successfully complete the tutoring program.

(ix) Percentage of students who exit and then maintain their learning through the end of the school year as demonstrated by a valid and reliable assessment designed for this purpose, such as a universal screening assessment.

(x) Percentage of students who exit and then meet or exceed local spring universal screening targets for their grade level.

(xi) The impact of the programs on organizations and stakeholders, including, but not limited to, school administrators, teachers, kids, families, and tutors.

(7) If the department determines that the eligible recipient has misused the funds allocated under this section, the eligible recipient shall reimburse the department for the amount of state funding misused.

(8) If data required under subsection (6)(f) are not submitted via the MiDataHub by September 1 of the current fiscal year, the eligible recipient must forfeit future funding and may be required to reimburse funds.

(9) The evaluation of programs under this section must be conducted by an approved department evaluator. If an alternative evaluator is desired, the eligible recipient must submit a request in writing with rationale to the department on or before January 1 of the current fiscal year.

(10) The superintendent of public instruction shall provide guidelines to eligible recipients on evidence-based best practices and effective strategies an eligible recipient may use to respond to unfinished learning and shall provide resources to assist eligible recipients in implementing the evidence-based practices, including through high-impact tutoring programs listed in the MiStrategyBank described in subsection (4). Guidelines may include technical assistance that may include, but is not limited to, planning, implementation, and training or coaching.

(11) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to address unfinished learning. The estimated completion date of the work project is September 30, 2025.

(12) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(13) As used in this section, the "MI Kids Back-on-Track program" means programs provided before school, during school, after school, or during the summer, directly by the eligible recipient or in partnership with community-based organizations for students in any of grades pre-K to 12 in this state that are designed to address unfinished learning, get students to grade-level academic standards, provide additional academic assistance to students at risk of falling behind their peers, or help high school students prepare for postsecondary education.

(14) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2027.

Sec. 24. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-2025~~ an amount not to exceed \$7,650,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district is calculated as prescribed under subsection (2).

(2) The department shall allocate the total amount allocated under this section by paying to the educating district or intermediate district an amount equal to the lesser of the district's or intermediate district's added cost or the department's approved per-pupil allocation for the district or intermediate district. For the purposes of this subsection:

(a) "Added cost" means 100% of the added cost each fiscal year for educating all pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services or the department of licensing and regulatory affairs and approved by the department to provide an on-grounds education program. Added cost is computed by deducting all other revenue received under this article for pupils described in this section from total costs, as approved by the department, in whole or in part, for educating those pupils in the on-grounds education program or in a program approved by the department that is located on property adjacent to a juvenile detention facility or child caring institution. Costs reimbursed by federal funds are not included.

(b) "Department's approved per-pupil allocation" for a district or intermediate district is determined by dividing the total amount allocated under this section for a fiscal year by the full-time equated membership total for all pupils approved by the department to be funded under this section for that fiscal year for the district or intermediate district.

(3) A district or intermediate district educating pupils described in this section at a residential child caring institution may operate, and receive funding under this section for, a department-approved on-grounds educational program for those pupils that is longer than 181 days, but not longer than 233 days, if the child caring institution was licensed as a child caring institution and offered in 1991-92 an on-grounds educational program that was longer than 181 days but not longer than 233 days and that was operated by a district or intermediate district.

(4) Special education pupils funded under section 53a are not funded under this section.

Sec. 24a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,355,700.00 for ~~2023-2024-2024-2025~~ for payments to intermediate districts for pupils who are placed in juvenile justice service facilities operated by the department of health and human services. The amount of the payment to each intermediate district is an amount equal to the state share of those costs that are clearly and directly attributable to the educational programs for pupils placed in facilities described in this section that are located within the intermediate district's boundaries. The intermediate districts receiving payments under this section shall cooperate with the department of health and human services to ensure that all funding allocated under this section is utilized by the intermediate district and department of health and human services for educational programs for pupils described in this section. Pupils described in this section are not eligible to be funded under section 24. However, a program responsibility or other fiscal responsibility associated with these pupils must not be transferred from the department of health and human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,600,000.00 for ~~2023-2024-2024-2025~~ for payments to strict discipline academies and qualified districts, as provided under this section.

(2) ~~In order to~~ To receive funding under this section, a strict discipline academy or qualified district must first comply with section 25e and use the pupil transfer process ~~under described in~~ that section for changes in enrollment as prescribed under that section **and apply annually for funding under section 24.**

(3) The total amount allocated to a strict discipline academy or qualified district under this section ~~must first be distributed as the lesser of the strict discipline academy's or qualified district's added cost or the department's approved per-pupil allocation for the strict discipline academy or qualified district. Subject to subsection (7), any funds remaining after the first distribution must be distributed by prorating on an equal per-pupil membership basis, not to exceed a strict discipline academy's or qualified district's added cost. is~~ **equal to the strict discipline academy's or qualified district's pupil membership in the immediately**

preceding year multiplied by an amount calculated by dividing the total allocation under this section by the total pupil membership for eligible strict discipline academies and qualified districts in the immediately preceding year. However, the sum of the amounts received by a strict discipline academy or qualified district under this section and under section 24 must not exceed the product of the strict discipline academy's or qualified district's per-pupil allocation calculated under section 20 multiplied by the strict discipline academy's or qualified district's full-time equated membership. The department shall allocate funds to strict discipline academies and qualified districts under this section on a monthly basis.

(4) Special education pupils funded under section 53a are not funded under this section.

(5) ~~If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (3), the department shall prorate payments under this section on an equal per-pupil basis.~~

(5) ~~(6)~~-The department shall make payments to strict discipline academies and qualified districts under this section according to the payment schedule under section 17b.

(6) ~~(7)~~-For purposes of this section, the pupil membership for the current fiscal year for a qualified district is the actual number of pupils that are in the custody of a county juvenile agency as described in subsection ~~(8)(e)~~-(7)(a).

(7) ~~(8)~~-As used in this section:

(a) "Added cost" means 100% of the added cost each fiscal year for educating all pupils enrolled and in regular daily attendance at a strict discipline academy or qualified district. Added cost must be computed by deducting all other revenue received under this article for pupils described in this subdivision from total costs, as approved by the department, in whole or in part, for educating those pupils in a strict discipline academy or qualified district. The department shall include all costs, including, but not limited to, educational costs, insurance, management fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.

(b) "Department's approved per-pupil allocation" means, for a strict discipline academy or qualified district, an amount equal to the quotient of the total amount allocated under this section for a fiscal year and the full-time equated membership total for all pupils approved by the department to be funded under this section for that fiscal year for the strict discipline academy or qualified district.

(a) ~~(c)~~-"Qualified district" means a public school academy that is not a strict discipline academy that enrolls individuals who are in the custody of a county juvenile agency to which both of the following are applicable:

(i) The agency had custody of individuals who were enrolled in a strict discipline academy in the 2020-2021 school year.

(ii) The strict discipline academy that the individuals described in subparagraph (i) were enrolled in subsequently closed.

(b) ~~(d)~~-"Strict discipline academy" means a public school academy established under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m.

Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$750,000.00~~ **\$3,050,000.00** for ~~2023-2024~~ **2024-2025** for the purposes of this section. Except as otherwise provided in this section, if the operation of the special membership counting provisions under section 6(4)(dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE in a fiscal year, ~~then the payment made for the pupil under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is paid under this section in an amount equal to that portion multiplied by the educating district's foundation allowance or per-pupil payment calculated under section 20.~~ **It is the intent of the legislature that, for 2025-2026, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be \$750,000.00.**

(2) Special education pupils funded under section 53a are not funded under this section.

(3) If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (1), the department shall prorate payments under this section on an equal per-pupil basis.

(4) The department shall make payments to districts under this section according to the payment schedule under section 17b.

Sec. 25l. (1) From the state school aid fund money appropriated in section 11, there is allocated for **2024-2025 only** an amount not to exceed \$5,000,000.00 to an intermediate district for the deployment of an integrated online tool to identify and support students at risk of dropping out of high school.

(2) An intermediate district must apply for funding in a form and manner determined by the department. The application must demonstrate that the intermediate district is in partnership with an association that represents intermediate district administrators in this state for the purpose of deploying an integrated online tool to identify and support students at risk of dropping out of high school. The department shall open the application for funding under this section by not later than November 1, 2024.

(3) Funds received by an intermediate district under this section must be utilized, in partnership with an association that represents intermediate district administrators in this state, to do all of the following:

(a) Establish statewide operational support and offer to districts the use of an integrated online tool to support local early warning and intervention.

(b) Establish monitoring systems to identify and support students at risk of dropping out of high school.

(c) Provide access to the system, develop and deliver professional learning on its uses, and coordinate with the department on regional training and support efforts.

(d) Provide implementation support and technical assistance resources to aid in implementing an integrated online tool to identify and support students at risk of dropping out of high school for any district in the state.

(4) Notwithstanding section 17b, the department shall make payments under this section by December 1, 2024.

(5) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2029. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2029.

Sec. 26a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$14,000,000.00 for 2023-2024-~~2024-2025~~ to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2023-~~2024~~. The department shall pay the allocations by not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

Sec. 26b. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$5,084,000.00~~ **\$5,284,000.00** for 2023-2024-~~2024-2025~~ for payments to districts, intermediate districts, and community college districts for the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts under section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

(2) If the amount appropriated under this section is ~~not sufficient~~ **insufficient** to fully pay obligations under this section, payments are prorated on an equal basis among all eligible districts, intermediate districts, and community college districts.

Sec. 26c. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$20,500,000.00~~ **\$28,300,000.00** for ~~2022-2023-2023-2024~~ and there is allocated an amount not to exceed ~~\$26,000,000.00~~ **\$34,500,000.00** for 2023-2024-~~2024-2025~~ to the promise zone fund created in subsection (3). The funds allocated under this section reflect the amount of revenue from the collection of the state education tax captured under section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

(2) Funds allocated to the promise zone fund under this section must be used solely for payments to eligible districts and intermediate districts, in accordance with section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677, that have a promise zone development plan approved by the department of treasury under section 7 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1667. Eligible districts and intermediate districts shall use payments made under this section for reimbursement for qualified educational expenses as that term is defined in section 3 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1663.

(3) The promise zone fund is created as a separate account within the state school aid fund to be used solely for the purposes of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

(a) The state treasurer shall direct the investment of the promise zone fund. The state treasurer shall credit to the promise zone fund interest and earnings from fund investments.

(b) Money in the promise zone fund at the close of a fiscal year remains in the promise zone fund and does not lapse to the general fund.

(4) Subject to subsection (2), the state treasurer may make payments from the promise zone fund to eligible districts and intermediate districts under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the purposes of a promise zone authority created under that act.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 26d. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$14,400,000.00 ~~for 2022-2023 and 2023-2024~~ **for 2024-2025** for reimbursements to intermediate districts as required under section 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

(2) The amounts reimbursed under subsection (1) must be used by the intermediate district only for the purposes for which the property taxes were originally levied.

(3) The Michigan strategic fund and the Michigan economic development corporation shall work with the department of treasury in identifying the amount of tax revenues that are to be reimbursed under subsection (1).

(4) Notwithstanding section 17b, the department of treasury shall make payments under this section on a schedule determined by the department of treasury.

Sec. 27a. (1) From the ~~state school aid educator fellowship public provider~~ fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-2025~~ an amount not to exceed \$20,000,000.00 **\$10,000,000.00, from the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 an amount not to exceed \$10,000,000.00,** and from the general fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-2025~~ an amount not to exceed \$5,000,000.00 for the MI future educator fellowship program. The funds allocated under this section must be used to offset tuition costs for individuals who are working toward earning their initial teacher certification. **At the close of the fiscal year, money allocated under this section that is unspent must be deposited as follows:**

(a) **For state school aid fund money, into the educator fellowship public provider fund in section 27d.**

(b) **For general fund money, into the educator fellowship private provider fund in section 27e.**

(2) To establish initial eligibility for an award from funding under this section, an individual must meet all of the following conditions by the date of enrollment described in subdivision (b):

(a) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate.

(b) Be admitted to an eligible educator preparation program; be working toward a teacher certification; be enrolled in enough coursework to be considered enrolled full-time during the academic year, as determined by the student's educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department; and, for students at institutions of higher education, be considered at least a junior-level student, as determined by the institution of higher education.

(c) Not have previously earned a teacher certification.

(d) Timely complete a grant application in a form and manner prescribed by the department of ~~treasury~~ **lifelong education, advancement, and potential.**

(e) Timely file the Free Application for Federal Student Aid for the enrollment period described in subdivision (b).

(f) Timely apply for all available gift aid for the enrollment period described in subdivision (b).

(g) Agree to repay any funds received from funding under this section if the individual does not maintain enrollment in their educator preparation program, the individual does not successfully complete their educator program, or the individual does not complete the work requirement described in subsection (7).

(h) Have a high school or college grade point average of at least 3.0.

(i) Be a resident of this state, as determined for purposes of the Free Application for Federal Student Aid.

(3) To establish continuing eligibility for an award under this section at an eligible educator preparation program, an individual must meet all of the following conditions:

(a) Maintain full-time continuous enrollment in an eligible educator preparation program, as determined by the educator preparation program, or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department, excluding any period of time missed due to a medical or other emergency, as determined by the department of ~~treasury~~ **lifelong education, advancement, and potential.**

(b) Maintain satisfactory academic progress, including a grade point average of at least 3.0, in courses provided by the eligible educator preparation program and meet requirements established by the eligible educator preparation program.

(c) Participate in relevant academic and career advising programs offered by the eligible educator preparation program.

(d) Timely file the Free Application for Federal Student Aid for each academic year in which the individual receives an award from funding under this section.

(e) Timely apply for all available gift aid for each academic year in which the individual applies for funding under this section.

(f) Maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.

(4) An award under this section must not exceed \$10,000.00 per academic year or the cost of tuition at the eligible educator preparation program attended, whichever is less. As used in this subsection, the cost of tuition at an educator preparation program that is an institution of higher education is the in-district resident

rate plus other required fees, as determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**; and the cost of tuition at an educator preparation program that is an alternative certification provider is the cost of tuition plus other required fees, as determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**.

(5) Awards under this section must be distributed to eligible educator preparation programs on behalf of an eligible recipient on a timeline determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**.

(6) Pending available funds, applicants may renew their award for up to 3 years, or until program completion, whichever comes first.

(7) To be an eligible recipient of fellowship funding under this section, an individual must pledge to work as a certified teacher in a public school or a qualifying public preschool program in this state and must meet 1 of the following work requirements:

(a) For a recipient of funding under this section who received an award for 1 academic year, 3 years of work as a certified teacher in a public school or a qualifying public preschool program in this state.

(b) For a recipient of funding under this section who received an award for 2 academic years, 4 years of work as a certified teacher in a public school or a qualifying public preschool program in this state.

(c) For a recipient of funding under this section who received an award for 3 academic years, 5 years of work as a certified teacher in a public school or a qualifying public preschool program in this state.

(d) For a recipient working in a critical needs district, 3 years of work as a certified teacher. As used in this subdivision, "critical needs district" means a district with a median household income in the lowest quartile in each prosperity region, as determined by the department.

(8) If an award recipient does not maintain enrollment in their educator preparation program as required under subsection (3)(a), does not successfully complete their educator preparation program, or does not meet the work requirement described in subsection (7), any amount received from funds under this section converts to a 0% interest loan that must be repaid to this state within 10 years, plus any deferment period as determined and approved by the department of ~~treasury~~; **lifelong education, advancement, and potential**. The amount of repayment must be reduced proportionate to the number of years worked in schools or qualifying public preschool programs in this state as a certificated teacher out of 5 years. The department of ~~treasury~~; **lifelong education, advancement, and potential** shall develop guidance to enforce this subsection.

(9) An individual may not concurrently receive funding through programs funded under this section and grow your own programs funded under section 27b.

(10) If the amount allocated in subsection (1) is ~~not sufficient~~ **insufficient** to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund **in section 27d** or the educator fellowship private provider fund **in section 27e**, as applicable, the amount necessary to fully fund these programs. The state budget director shall provide notification to the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies for any additional appropriation described under this subsection.

(11) Notwithstanding section 17b, the department of ~~treasury~~; **lifelong education, advancement, and potential** shall make payments under this section on a schedule determined by the department of ~~treasury~~; **lifelong education, advancement, and potential**.

(12) The department of ~~treasury~~; **lifelong education, advancement, and potential** shall report to the chairpersons of the house appropriations subcommittee on school aid and education and the senate appropriations subcommittee on pre-K to 12 by February 1 of the current fiscal year. The report must include the following:

(a) The number and amount of awards granted in the previous fiscal year.

(b) The number of recipients in the previous fiscal year that had their awards converted to loans under subsection (8).

(13) As used in this section, "eligible educator preparation program" means a public or nonpublic institution of higher education or an alternative route provider that meets all of the following, as applicable:

(a) Is approved by the department to offer teacher preparation programming.

(b) Enrolls 1 or more future educator fellowship recipients.

(c) Has not increased tuition and fee rates above the limitations described in section 241c. **been deemed as ineligible to receive Michigan achievement scholarship funding under section 248 as a result of exceeding tuition restraint requirements described in section 248.**

Sec. 27c. (1) From the state school aid fund money appropriated in section 11, there is allocated ~~\$50,000,000.00~~ **\$30,000,000.00** for ~~2023-2024~~ **2024-2025** and from the educator fellowship public provider fund money appropriated in section 11, there is allocated ~~\$20,000,000.00~~ **\$20,000,000.00** for ~~2024-2025~~ for the MI future educator student teacher stipend program. Except as otherwise provided in this section, the funds allocated under this section must be paid to eligible educator preparation programs for payments to eligible student teachers working in a district. **At the close of the fiscal year, state school aid fund money allocated under this section that is unspent must be deposited into the educator fellowship public provider fund in section 27d.**

(2) An eligible student teacher under this subsection must meet all of the following:

(a) The individual must be admitted to an eligible educator preparation program, be working toward a teacher certification, be participating in required student teaching coursework, and be maintaining satisfactory academic progress. As used in this subdivision, “required student teaching coursework” means credit hours, or the program equivalent, required by an eligible educator preparation program for successful completion of the program. This coursework must include regular placement in a district where the student gains real-world, first-hand experience working in a classroom, teaching students, engaging in the day-to-day activities of a certified teacher, and working daily under the guidance of a certified teacher.

(b) The individual must timely complete an application in a form and manner prescribed by the department of ~~treasury~~, **lifelong education, advancement, and potential**. The application must include the district in which the individual is working as a student teacher and must include a certification by the district and the individual’s eligible educator preparation program that the student is working as a student teacher. If the individual’s eligible educator preparation program is not provided by a public institution of higher education, the district in which the individual is working must also provide an assurance that they will forward any amount received under this section from the department of ~~treasury~~ **lifelong education, advancement, and potential** for purposes of the program described in this section to the individual’s eligible educator preparation program.

(c) The individual must not have received a payment from funds under this subsection previously, unless the individual is enrolled in an eligible educator preparation program that requires multiple semesters of student teaching.

(d) If an individual is employed by their district as a teacher of record, they are not eligible for payment under this section.

(e) An individual that is a current City Year corps member enrolled in an eligible educator preparation program is eligible for payment under this section.

(3) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall pay each eligible educator preparation program an amount not to exceed \$9,600.00 per academic semester for each eligible student teacher working in a district. If the individual’s eligible educator preparation program is not provided by a public institution of higher education, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall pay an amount not to exceed \$9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the amount received to the individual’s eligible educator preparation program. If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.

(4) Eligible educator preparation programs shall pay funds received under this section, in entirety, to the eligible student teacher.

(5) Notwithstanding section 17b, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall make payments under this section on a schedule determined by the department of ~~treasury~~ **lifelong education, advancement, and potential**.

(6) If the amount allocated in subsection (1) is insufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund in section 27d the amount necessary to fully fund the programs described in this section. The state budget director shall notify the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies of any additional appropriation described in this subsection.

(7) ~~(6)~~—As used in this section, “eligible educator preparation program” means an institution of higher education that meets all of the following:

(a) Is a public or private institution of higher education in this state.

(b) Has an established school of education with an educator preparation program approved by the department.

(c) ~~Has not increased tuition and fee rates above the limitations described in section 241c.~~ **been deemed as ineligible to receive Michigan achievement scholarship funding under section 248 as a result of exceeding tuition restraint requirements described in section 248.**

Sec. 27d. (1) The educator fellowship public provider fund is created as a separate account within the state school aid fund for the purpose of improving the educator workforce through recruitment efforts for students attending public educator preparation programs.

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

(3) Money in the educator fellowship public provider fund at the close of the fiscal year remains in the educator fellowship public provider fund and does not lapse to the state school aid fund.

(4) The department of treasury is the administrator of the educator fellowship public provider fund for auditing purposes.

(5) The department of treasury shall expend money from the educator fellowship public provider fund, upon appropriation, for the purposes described in section 27a(10)–27a for students admitted to public educator preparation programs **and for the purposes described in section 27c.**

~~(6) For the fiscal year ending September 30, 2022 only, \$235,000,000.00 from the state school aid fund is deposited into the educator fellowship public programs fund.~~

Sec. 27f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only \$4,000,000.00 to a district or intermediate district to partner with the Michigan Education Justice Coalition for the purposes of this section.

(2) From the allocation in subsection (1), \$2,800,000.00 is allocated to create and implement a toolkit that is evidence-based and provides culturally responsive intervention and solutions to address racial disparities in public education in grades K to 12. The toolkit described in this subsection must be used in a pilot program for the 2024-2025 school year to increase black and African-American student achievement.

(3) From the allocation in subsection (1), \$600,000.00 is allocated to fund a participatory action research study with teachers of color in districts with higher concentrations of poverty and lower academic outcomes, as determined by the Michigan Education Justice Coalition. The purpose of the research in this subsection is to increase recruitment and retention for educators in Michigan.

(4) From the allocation in subsection (1), \$550,000.00 is allocated to investigate the school to prison pipeline. The goal of the research in this subsection is to identify and create long-term solutions and interventions to reduce incarceration of individuals who, before incarceration, resided in 1 of the 17 cities in this state where African-American residents are a majority or plurality of residents according to the most recent federal decennial census.

(5) From the allocation in subsection (1), \$50,000.00 may be retained by the district or intermediate district for costs related to the administration of the program and studies described in this section.

(6) By not later than September 30, 2027, a district or intermediate district that receives funding under this section must submit a written report to the department, the state budget office, the senate appropriations subcommittee on pre-K to 12, and the house appropriations subcommittee on school aid and education. The report must include a description of the research and results from the studies funded in subsections (2) to (4). The report must include recommendations for policymakers to increase black and African-American student achievement, to increase the number of educators in this state, and to reduce incarceration rates for residents of the state.

(7) Notwithstanding section 18a, funds allocated under this section for 2024-2025 may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2027.

(8) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 27g. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2024-2025** only an amount not to exceed ~~\$10,000,000.00~~ **\$12,500,000.00** to intermediate districts and consortia of intermediate districts based on the number of pupils in membership in constituent districts of the intermediate district or consortium of intermediate districts to support ~~the Talent Together coalition as described in this section.~~ **educator talent initiatives and programs.**

(2) Intermediate districts and consortia of intermediate districts shall use the money received under this section to partner with 1 eligible nonprofit to provide funding, programs, and technical assistance for the following activities:

(a) Teacher recruitment, teacher retention, and teacher development to ensure greater efficacy, satisfaction, and outcomes.

(b) Improve teacher certification programs to increase quality and retention, and to foster close relationships with schools.

(c) Provide school leader development programs to increase educator retention and efficacy.

(d) Serve as a convener and hub for innovation and conversation to support collaboration and coordination among this state's educator talent efforts.

(e) Promote research so that this state can learn from its investments and innovations and become a top state for educators.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(4) As used in this section, “eligible nonprofit” means an entity that meets all of the following criteria, as determined by the department:

- (a) Is based in this state.
- (b) Operates statewide.
- (c) Is ~~a non-higher education institution~~ **an organization that is exempt from taxation** under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, **and the organization is not a higher education organization.**
- (d) Has formal partnerships with more than 35 intermediate districts in this state.
- (e) Has launched a statewide grow your own program in partnership with intermediate districts.
- (f) Has staff experienced in implementing research-based programs in all of the following areas:
 - (i) Teacher recruitment.
 - (ii) Teacher development.
 - (iii) Teacher retention.
 - (iv) Teacher certification.
 - (v) School leader development.
 - (vi) School leader retention.
- (g) Has staff experienced in designing and developing a department-approved grow your own program.

Sec. 27j. ~~(1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only an amount not to exceed \$5,000,000.00 for payments to an eligible intermediate district as described in this section.~~

~~(2) The department shall award a grant to an intermediate district to enter into a partnership with a statewide special education organization to improve the capacity of building-level special education administration personnel.~~

~~(3) The special education organization described in subsection (2) must provide a training series for school building-level leaders that ensures the knowledge, skills, mentoring, wellness framework, and strategies needed to support special educators, students with disabilities, and their families and community.~~

~~(4) Notwithstanding section 17b, the department shall make grant payments under this section on a schedule determined by the department.~~

~~(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 do not lapse to the state school aid fund and are carried forward into 2024-2025. The purpose of the work project is to deliver the training described in subsection (3). The estimated completion date of the work project is September 30, 2025.~~

(1) The student loan repayment assistance reserve fund is created as a separate account within the state school aid fund to provide supplemental funding for the student loan repayment assistance program in section 27k.

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

(3) Money in the student loan repayment assistance reserve fund at the close of the fiscal year remains in the student loan repayment assistance reserve fund and does not lapse to the state school aid fund.

(4) The department of treasury is the administrator of the student loan repayment assistance reserve fund for auditing purposes.

(5) Money available in the student loan repayment assistance reserve fund must not be expended without a specific appropriation.

(6) At the close of each fiscal year, unspent funds from state sources allocated in section 27k must be deposited into the student loan repayment assistance reserve fund created in this section.

Sec. 27k. ~~(1) From the state school aid fund money appropriated in section 11, \$225,000,000.00 is allocated for 2023-2024 only and \$24,400,000.00 is allocated for 2024-2025 only to districts and intermediate districts for the purposes under this section. From the general fund money appropriated in section 11, \$600,000.00 is allocated for 2024-2025 only to the department to contract with a vendor and for administrative costs related to this section.~~

~~(2) To For 2023-2024, to receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.~~

~~(3) A For 2023-2024, a district or intermediate district that receives funding under this section shall use the funding only to implement a student loan repayment program in accordance with guidelines issued by the department. The guidelines must include all of the following criteria:~~

- ~~(a) A system for through which the district or intermediate district verifies all of the following:~~
- ~~(i) That each eligible participant owes federal student loans.~~

(ii) That each eligible participant is ~~enrolled in~~ **eligible for** the federal public service loan forgiveness program and is under, pursuant to federal law, a payment plan that makes eligible payments toward federal public service loan forgiveness.

(iii) That each eligible participant is enrolled in an income-driven repayment plan. Participants may be exempt from this requirement if their loan is not eligible for income-driven repayment.

(b) A requirement that each eligible participant shall receive up to \$200.00 per month, or, if the eligible participant is employed in a district ~~or intermediate district~~ that is assigned to band 6 in the opportunity index, as described in section 31a, up to \$400.00 per month, for the duration of the program or the total amount of the eligible participant's monthly federal student loan payment, as verified under subdivision (a), whichever is less. As used in this subdivision, ~~"band 6 in the opportunity index" means at least 85% of pupils in the district or intermediate district are economically disadvantaged pupils.~~ **"band 6" means the district has an opportunity index, as calculated under section 31a, that is greater than or equal to 85.**

(c) A requirement that payments to eligible participants through the program must be made in equal amounts on a monthly basis.

(d) A requirement that an eligible participant must only receive funding through the program if the eligible participant continues to meet the criteria of an eligible participant.

(e) A requirement that an eligible participant annually, or, if the participant leaves the program, on the date the participant leaves the program, if applicable, certifies to the district or intermediate district that the eligible participant made payments toward the eligible participant's federal student loan with the funding received under this section.

(f) A requirement that the eligible participant certifies to the district or intermediate district any increases or decreases in the participant's monthly payment toward the eligible participant's federal student loan.

(4) By not later than October 1, 2024, the department shall contract with a vendor to implement an online portal that allows eligible participants to apply to participate in a student loan repayment program. The portal described in this subsection must be made available at no cost to each applicant and must require each applicant to submit and verify all of the following information:

(a) That the applicant owes federal student loans.

(b) The monthly payment amount of the applicant's eligible federal student loan.

(c) That the applicant is eligible for the federal public service loan forgiveness program and is under, pursuant to federal law, a payment plan that makes eligible payments toward federal public service loan forgiveness.

(d) That the applicant is enrolled in an income-driven repayment plan. Applicants may be exempt from this requirement if their loan is not eligible for income-driven repayment.

(e) A certification that the applicant understands that the applicant may receive funding through the student loan repayment program only if the applicant continues to meet the criteria of an eligible participant.

(f) An annual certification, or, if an eligible participant leaves the program, a certification on the date the eligible participant leaves the program, to the department that the eligible participant made payments toward the eligible participant's federal student loans with the funding received under this section.

(g) A certification to the department of any increases or decreases in the eligible participant's monthly payment toward the eligible participant's federal student loans. The eligible participant must recertify the eligible participant's monthly payment amount annually if the monthly payment amount does not change.

(h) A certification that the applicant has not received funding under this section during the fiscal year in which the applicant is applying.

(5) For 2024-2025, except as otherwise provided in this subsection, the application in subsection (4) must be submitted directly by the individual who is applying to participate in a student loan repayment program or by that individual's bargaining unit. If the individual who is applying to participate in a student loan repayment program is unable to submit the application due to a disability, another individual may submit the application on the applicant's behalf.

(6) For 2024-2025, each eligible participant shall receive up to \$200.00 per month, or, if the eligible participant is employed in a district that is assigned to band 6 in the opportunity index, as described in section 31a, up to \$400.00 per month, for the duration of the program, or the total amount of the eligible participant's monthly federal student loan payment, as verified under subsection (4), whichever is less. As used in this subdivision, "band 6" means the district has an opportunity index, as calculated under section 31a, that is greater than or equal to 85.

(7) The department shall make payments to the district or intermediate district that employs each eligible participant. For 2023-2024, the department shall provide to each district or intermediate

district the eligible payment amounts for each eligible participant in the district or intermediate district. For 2024-2025, the eligible vendor described in subsection (4) shall provide the department and each district or intermediate district the eligible payment amounts for each eligible participant in the district or intermediate district. The district or intermediate district that receives payments under this section shall certify that the district or intermediate district will make payments to eligible participants in the amounts provided by the department or the eligible vendor described in subsection (4) under this subsection on a monthly basis, in the amounts specified.

(8) (4)-An eligible participant remains eligible, unless otherwise provided under federal law or other state laws, for student loans even though the eligible participant receives funding from the money allocated under this section.

(9) (5)-Payments to an eligible participant by districts or intermediate districts under this section must be made for no more than 10 years or until the eligible participant's federal student loan is paid off, whichever occurs earlier.

(10) (6)-The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue support for federal student loan repayment programs as described in this section. The estimated completion date of the work project is December 31, 2026.

(11) (7) **For 2023-2024**, if the amount allocated under this section is insufficient to fully make payments to all eligible participants as required under this section, the department shall prorate the amount paid to districts and intermediate districts to distribute to all eligible participants on an equal basis. **For 2024-2025, if the amount allocated under this section is insufficient to fully make payments to all eligible participants as required under this section, the department shall do both of the following:**

(a) **Make full payments to eligible participants for as many months as possible given the remaining funds.**

(b) **Prorate the amount paid to all eligible participants on an equal basis.**

(12) **At the close of each fiscal year, unspent funds from state sources allocated under this section must be deposited into the student loan repayment assistance reserve fund created in section 27j.**

(13) **Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**

(14) (8)-As used in this section:

(a) "At-risk pupil" means that term as defined in section 31a.

(b) "Eligible participant" means **either of the following, as applicable:**

(i) **For 2023-2024**, an individual who is participating in a federal student loan repayment program described in subsection (3) and who is working 32 hours or more per week at a district or intermediate district in a role in which the individual works directly with pre-K to 12 students, including, but not limited to, educators, counselors, social workers, psychologists, reading specialists, librarians, and school administrators who work directly with students.

(ii) **For 2024-2025, an individual who is participating in a federal student loan repayment program described in subsection (4), who is working 32 hours or more per week at a district or intermediate district, and who works not less than 50% of the individual's weekly scheduled hours in a role in which the individual works directly with pre-K to 12 students, including, but not limited to, educators, counselors, social workers, psychologists, reading specialists, librarians, and school administrators who work directly with students.**

Sec. 27l. (1) From the state school aid fund money appropriated in section 11, there is allocated \$63,800,000.00 for 2023-2024 only to districts in an equal amount per pupil. It is the intent of the legislature that districts will use the funds to increase educator compensation.

(2) **In addition to the funds allocated in subsection (1), an amount not to exceed \$4,000,000.00 for 2023-2024 only from the state school aid fund money appropriated in section 11 is allocated to public school academies in an equal amount per pupil. It is the intent of the legislature that public school academies will use the funds received under this subsection to increase educator compensation.**

Sec. 27n. (1) From the state school aid fund money appropriated in section 11, \$2,000,000.00 is allocated for 2023-2024 only to Saginaw Public School District to fund the enrollment of employees of Saginaw Public School District in the Accelerated Certification with Residency (ACR) Program at Saginaw Valley State University for the employees to earn their teaching certificate. Saginaw Public School District shall directly make payments to Saginaw Valley State University for the enrollment of employees as described in this section.

(2) **Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2026. A recipient of funding under this section must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2026.**

Sec. 27o. (1) From the state school aid ~~general~~ fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** only an amount not to exceed \$2,000,000.00 for ~~Eaton Regional Education Service Agency~~ for a Learner Wallet pilot tutoring initiative that includes all of the following:

(a) The provision of a real-time student tracking tool for each teacher and tutor. The tool described in this subdivision must track and record the academic performance results for each student who is a candidate for tutoring services. The tool may also track academic and nonacademic experiences.

(b) The provision of a real-time tracker tool to each student engaged in tutoring services. The tool described in this subdivision must be a secure, private online data management tool to store evidence of the student's academic and skills-based achievements. The tool must be tied to the Michigan data hub system and allow for exporting and importing into the data hub.

(c) The ability for each student engaged in tutoring services to share the real-time tracker tool under subdivision (b) with the student's tutor and allow the tutor to input credentials to the student tracking tool under subdivision (a) to give credit for frequency, type, and achievements for the tutoring program.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 27p. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2024-2025** only an amount not to exceed ~~\$66,353,000.00~~ **\$12,500,000.00** to Marquette-Alger RESA for an apprenticeship model grow your own program as part of a consortia of at least 45 intermediate districts.

(2) The intermediate district receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this section must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs under this section include, but are not limited to, all of the following:

(a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree.

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of the educator preparation program attended by the recipient staff of the district or intermediate district.

(f) Costs for curriculum, materials, professional development, and hands-on-learning experiences to implement a program within the district or intermediate district to encourage students in any of grades 6 to 12 to consider a career in education. Not more than 10% of funds received by a district or intermediate district under this section may be used for this purpose.

(3) An intermediate district may not concurrently receive funding under this section and receive funding under section 27b for 2022-2023, unless already awarded by the department under section 27b before July 1, 2023-2024. **An intermediate district receiving funding under this section shall not give funding received under this section to a constituent district that is receiving funding under section 27b.**

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) The funds allocated under this section for ~~2022-2023~~ **2024-2025** are a work project appropriation, and any unexpended funds for ~~2022-2023~~ **2024-2025** are carried forward into ~~2023-2024~~ **2025-2026**. The purpose of the work project is to continue support for the grow your own programs under this section. The estimated completion date of the work project is ~~December 31, 2026~~ **September 30, 2027**.

Sec. 27r. (1) From the state school aid fund money appropriated in section 11, there is allocated for **2024-2025** only an amount not to exceed \$7,000,000.00 to Kent ISD for the West Michigan Teacher Collaborative as a part of a consortium of at least 3 intermediate districts. **The West Michigan Teacher Collaborative shall use the funding to implement a grow your own program.**

(2) A grow your own program described in this section must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs under this section include, but are not limited to, all of the following:

(a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree.

(b) Books and supplies.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of the educator preparation program attended by the recipient staff of the district or intermediate district.

(f) Costs for curriculum, materials, professional development, and hands-on learning experiences to implement a program within the district or intermediate district to encourage students in grades 6 to 12 to consider a career in education. Not more than 10% of the funding may be used for this purpose.

(3) In addition to the allowable uses in subsection (2), the West Michigan Teacher Collaborative may use the money received under this section for any of the following purposes:

(a) Recruiting, retaining, and developing teachers to ensure greater efficacy, satisfaction, and outcomes.

(b) Serving as a convener and model for other local and intermediate school districts interested in developing and improving grow your own programs.

(c) Engaging in rigorous program evaluation and research so that this state can learn from its investments and innovations and become a top state for educators.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue support for the grow your own programs under this section. The estimated completion date of the work project is September 30, 2028.

Sec. 27s. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only \$2,500,000.00 to a district or an intermediate district to support the activities of the Black Male Educators Alliance. The district or intermediate district shall use the funding allocated in this section to partner with the Black Male Educators Alliance.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils as well as additional costs to provide essential services in 2023-2024, 2024-2025, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts, ~~\$11,601,000.00~~ **\$12,306,900.00**.

(b) Section 22l, transportation reimbursement, \$125,000,000.00.

(c) Section 29, declining enrollment, **\$71,000,000.00**.

(d) ~~(e)~~-Section 31a, at risk, ~~\$952,000,000.00~~ **\$1,034,924,000.00**.

(e) Section 32d, great start readiness program, **\$627,720,000.00**.

(f) ~~(d)~~-Section 41, bilingual education for English language learners, ~~\$39,766,500.00~~ **\$50,186,100.00**.

(g) ~~(e)~~-Section 51c, special education, mandated percentages, ~~\$820,000,000.00~~ **\$1,016,400,000.00**.

(h) Section 54d, early on, **\$23,670,700.00**.

(i) ~~(f)~~—Section 61a, career and technical education, standard reimbursement, ~~\$48,011,300.00~~ **\$39,899,800.00**.

(j) ~~(g)~~-Section 61d, career and technical education incentives, ~~\$5,000,000.00~~ **\$5,304,300.00**.

(k) Section 147a, Michigan public school employees' retirement system cost offset, **\$709,939,000.00**.

(2) The funding described in subsection (1) is not a separate allocation of any funding but is instead a listing of funding allocated in the sections listed in subsection (1).

Sec. 29. (1) The enrollment stabilization fund is created as a separate account in the state school aid fund for the purpose of stabilizing the effects of declining enrollment.

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

(3) Money in the enrollment stabilization fund at the close of the fiscal year remains in the enrollment stabilization fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the enrollment stabilization fund for auditing purposes.

(5) Money available in the enrollment stabilization fund must not be expended without a specific appropriation.

~~(6) For the fiscal year ending September 30, 2023 only, \$314,000,000.00 from the state school aid fund is deposited into the enrollment stabilization fund.~~

(6) ~~(7)~~-From the enrollment stabilization fund money appropriated under section 11, there is allocated an amount not to exceed \$71,000,000.00 for ~~2023-2024~~ **2024-2025** for districts and intermediate districts for which membership in the immediately preceding fiscal year, as calculated under section 6 in the immediately preceding fiscal year, exceeds membership in the current fiscal year, as calculated under section 6 in the current fiscal year.

(7) ~~(8)~~—The allocation under subsection ~~(7)~~ **(6)** must be an amount equal to the sum of the product of .50 and the district's or intermediate district's membership for the immediately preceding fiscal year, as calculated under section 6 of the immediately preceding fiscal year, and the product of .50 and the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, minus the district's or intermediate district's membership in the current fiscal year, as calculated under section 6 of the current fiscal year, multiplied by the target foundation allowance for the current fiscal year.

Sec. 30d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$100,000,000.00 for 2023-2024, and **an amount not to exceed \$170,000,000.00 for 2024-2025**, and from the school meals reserve fund money appropriated in section 11, there is allocated an amount not to exceed \$25,000,000.00 ~~—\$90,000,000.00 for 2022-2023—~~ **2023-2024** and an amount not to exceed ~~\$60,000,000.00—~~ **\$30,000,000.00 for 2023-2024—2024-2025** for the purpose of making payments to participating entities to provide free school lunch and breakfast to public school pupils in grades pre-K to 12.

(2) ~~In order to~~ **To** receive funding ~~from~~ **under** this section, a participating entity must participate in the National School Lunch Program and must do all of the following:

(a) Provide reimbursable breakfasts and reimbursable lunches at no cost to all students for any school breakfast program or school lunch program operated by the participating entity.

(b) ~~Except for 2022-2023, submit~~ **Submit** information regarding the number of reimbursable breakfasts and reimbursable lunches served in a manner prescribed by the department.

(c) Maximize federal reimbursement for reimbursable breakfasts and reimbursable lunches by operating under the CEP if the participating entity has an identified student percentage greater than or equal to the minimum requirement to be eligible to participate in the CEP. For purposes of this subdivision, all eligible participating entities must elect CEP on behalf of a single school, a group or groups of schools, or all schools in the participating entity, as applicable, in a manner that maximizes federal reimbursement.

(d) ~~The participating entity meets~~ **Meet** all applicable state and federal standards in its school breakfast and lunch programs, as determined by the department.

(e) ~~The participating entity takes~~ **Take** all efforts to maximize and implement policies that require parents or guardians to fill out relevant family income information, in a manner prescribed by the department, for the purposes of determining student eligibility for federal free or reduced cost meal reimbursement rates and CEP eligibility determinations.

(f) ~~By not later than February 1, 2024, Forgive~~ **Forgive** all school meal debt **related to federally reimbursable meals**, ~~has been forgiven by the participating entity,~~ as determined by the department.

(3) Participating entities are encouraged to offer meals that meet students' dietary restrictions, including the provision of gluten-free meals, vegetarian meals, vegan meals, and, upon request, kosher meals, halal meals, and meals meeting any allergy restrictions as confirmed by a doctor's note.

(4) For each eligible participating entity, the department shall pay an amount equal to the following:

(a) The amount equal to the federal rate per student paid per pupil per free breakfast and lunch under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of breakfasts and lunches provided by the participating entity to students, less the federal revenue received by the participating entity under the school breakfast program and the school lunch program under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, and other state lunch payments received under section 31d.

(b) The amount equal to the federal rate per student paid per pupil per free breakfast and lunch under the Child Nutrition Act of 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of breakfasts and lunches provided by the participating entity, as applicable, to children participating in the Great Start Readiness Program under section 32d at the participating entity, less all other federal and state lunch payments made for those children. For purposes of this subdivision, compliance with 7 CFR 226.9 is required. The department shall assign rates of reimbursement pursuant to 7 CFR 226.9, at least annually, on the basis of family size and income information reported by each eligible participating entity. Assigned rates of reimbursement must be adjusted annually to reflect changes in the national average payment rates.

(5) Notwithstanding section 17b, the department may make payments under this section on a schedule determined by the department.

(6) As used in this section:

(a) "CEP" means the Community Eligibility Provision under the Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

(b) "Participating entity" means a district, intermediate district, or the Michigan Schools for the Deaf and Blind.

(7) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is ~~not sufficient~~ **insufficient** to fully reimburse districts for meals as required in this section, there is appropriated from the school meals reserve fund created in section 30e the amount necessary to fully fund these reimbursements.

Sec. 31a. (1) ~~From the state school aid fund money appropriated in section 11, there~~ **There** is allocated for 2023-2024 an amount not to exceed \$1,035,150,000.00 ~~and from the state school aid fund money appropriated in section 11 and an amount not to exceed \$1,500,000.00 from the general fund money appropriated in section 11, and~~ **and there is allocated for 2023-2024-2024-2025 an amount not to exceed \$1,500,000.00-1,078,074,000.00 from the state school aid fund money appropriated in section 11 and an amount not to exceed \$1,500,000.00 from the general fund money appropriated in section 11** for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7), (8), ~~(19)-(23), and (20)-(24).~~

(2) For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection (7), (8), ~~(19)-(23), or (20)-(24),~~ the district or public school academy, for grades K to 12, must comply with the requirements under section 1280f of the revised school code, MCL 380.1280f, and must use resources to address early literacy and numeracy, and for at least grades K to 12 or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates, must implement a multi-tiered system of supports that is an evidence-based framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports described in this subsection must provide at least all of the following essential components:

- (a) Team-based leadership.
- (b) A tiered delivery system.
- (c) Selection and implementation of instruction, interventions, and supports.
- (d) A comprehensive screening and assessment system.
- (e) Continuous data-based decision making.

(3) From the state school aid fund money allocated under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$952,000,000.00, **and there is allocated for 2024-2025 an amount not to exceed \$1,034,924,000.00** to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this subsection to each eligible district or eligible public school academy an amount per pupil equal to a percentage calculated under subsection (4) multiplied by the target foundation allowance for the following, as applicable:

(a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of the following:

(i) The number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.

(ii) If the district or public school academy is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage multiplied by the total number of pupils in the district or public school academy, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year. These calculations must be made at the building level. This subparagraph only applies to an eligible district or eligible public school academy for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this subparagraph, "identified student percentage" means the quotient of the number of pupils in an eligible district or eligible public school academy who are determined to be economically disadvantaged, as reported to the center in a form and manner prescribed by the center, not later than the fifth Wednesday after the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program, divided by the total number of pupils counted in an eligible district or eligible public school academy on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program.

(b) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the immediately preceding school year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the current fiscal year.

(c) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the current fiscal year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the current fiscal year.

(d) If, for a particular fiscal year, the number of membership pupils in a district or public school academy who are determined under subdivision (a) to be economically disadvantaged or to be eligible based on the identified student percentage varies by more than 20 percentage points from the number of those pupils in the district or public school academy as calculated under subdivision (a) for the immediately preceding fiscal year caused by an egregious reporting error by the district or public school academy, the department may choose to have the calculations under subdivision (a) instead be made using the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the immediately preceding fiscal year.

(4) Each district or public school academy must be assigned to an opportunity index score each fiscal year, the value of which is the quotient of the number of economically disadvantaged pupils as determined under subsection (3) for the district or public school academy and the total number of pupils in the district or public school academy in the immediately preceding fiscal year, multiplied by 100 and rounded up to the nearest whole number. Each district or public school academy must be assigned an opportunity index band as follows:

(a) A district or public school academy with an opportunity index score greater than or equal to 0 but less than 20 must be assigned to band 1 and shall receive reimbursement under subsection (3) at a rate of at least 35.0% and less than 36.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 1, multiplied by the band adjustment factor applicable to this subdivision, plus 35.0%.

(b) A district or public school academy with an opportunity index score greater than or equal to 20 but less than 44 must be assigned to band 2 and shall receive reimbursement under subsection (3) at a rate of at least 36.0% and less than 37.5%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 20, multiplied by the band adjustment factor applicable to this subdivision, plus 36.0%.

(c) A district or public school academy with an opportunity index score greater than or equal to 44 but less than 59 must be assigned to band 3 and shall receive reimbursement under subsection (3) at a rate of at least 37.5% and less than 39.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 44, multiplied by the band adjustment factor applicable to this subdivision, plus 37.5%.

(d) A district or public school academy with an opportunity index score greater than or equal to 59 but less than 73 must be assigned to band 4 and shall receive reimbursement under subsection (3) at a rate of at least 39.0% and less than 42.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 59, multiplied by the band adjustment factor applicable to this subdivision, plus 39.0%.

(e) A district or public school academy with an opportunity index score greater than or equal to 73 but less than 85 must be assigned to band 5 and shall receive reimbursement under subsection (3) at a rate of at least 42.0% and less than 47.0%. The reimbursement rate under this subdivision must be an amount equal to the district's opportunity index score minus 73, multiplied by the band adjustment factor applicable to this subdivision, plus 42.0%.

(f) A district or public school academy with an opportunity index score greater than or equal to 85 must be assigned to band 6 and shall receive reimbursement under subsection (3) at a rate of 47.0%.

(g) As used in this subsection, "band adjustment factor" means an amount equal to the difference between the lowest and highest reimbursement bounds for each band, divided by the number of possible opportunity index scores in that band.

(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), (8), ~~(19), (23), or (20), (24)~~. In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (3), may use the funds it receives under this section for school security or school parent liaison personnel. The uses of the funds described in the immediately preceding sentence must align to the needs assessment and the multi-tiered

system of supports model and, for funds spent on parent liaison personnel, must connect parents to the school community. A district or public school academy shall not use any of the money received under this section for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year.

(6) A district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, shall use from the funds received under this section an amount, not to exceed \$10.00 per pupil for whom the district or public school academy receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast program.

(7) From the state school aid fund money allocated under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$33,000,000.00, **and there is allocated for 2024-2025 an amount not to exceed \$33,000,000.00** to support primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. When making funding decisions for new adolescent health centers under this subsection, the department and department of health and human services shall prioritize support for primary health care services in unserved **and underserved** counties **as determined by the department of health and human services.** ~~as of July 14, 2022. An~~ **For 2023-2024, an** amount not to exceed 4% of the funds allocated for 2023-2024 under this subsection, **and for 2024-2025, an amount equal to 4% of the funds allocated for 2024-2025 under this subsection** must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state. Funds appropriated under this subsection **for 2023-2024 only** are a work project appropriation and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to improve child and adolescent health center program sites and improve delivery of patient care. The estimated completion date of the work project is September 30, 2025.

(8) From the state school aid fund money allocated under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$5,150,000.00 **and for 2024-2025 an amount not to exceed \$10,150,000.00** for the state portion of the hearing and vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$1,500,000.00 **and for 2024-2025 an amount not to exceed \$1,500,000.00** for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the vision screenings must be as required under R 325.13091 to R 325.13096 of the Michigan Administrative Code and the frequency of the hearing screenings must be as required under R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule determined by the department.

(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at-risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this section. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

(10) To receive funds under this section, a district or public school academy must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy shall reimburse the state for all disallowances found in the audit.

(11) Subject to subsections (6), (7), (8), ~~(19), (23), and (20), (24)~~, for schools in which more than 40% of pupils are identified as at-risk, a district or public school academy may use the funds it receives under this section to implement tier 1, evidence-based practices in schoolwide reforms that are guided by the district's comprehensive needs assessment and are included in the district improvement plan. Schoolwide reforms must include parent and community supports, activities, and services, that may include the pathways to potential program created by the department of health and human services or the communities in schools program. As used in this subsection, "tier 1, evidence-based practices" means research based instruction and classroom interventions that are available to all learners and effectively meet the needs of most pupils.

(12) A district or public school academy that receives funds under this section may use those funds to provide research based professional development and to implement a coaching model that supports the multi-tiered system of supports framework. Professional development may be provided to district and school leadership and teachers and must be aligned to professional learning standards; integrated into district, school building, and classroom practices; and solely related to the following:

(a) Implementing the multi-tiered system of supports required in subsection (2) with fidelity and utilizing the data from that system to inform curriculum and instruction.

(b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required under subsection (2), with fidelity.

(13) ~~For 2023-2024 a-~~ A district or public school academy that receives funds under subsection (3) may use funds received under subsection (3) for support staff providing services to at-risk pupils.

(14) Beginning in 2024-2025, a district or public school academy may use up to 60% of the funds it receives under this section for the following purposes:

(a) Up to 30% to reduce the teacher to pupil ratio in grades K to 3 in schools for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be assigned to opportunity index band 5.

(b) Up to 30% to support retention and recruitment efforts that help reduce staff turnover and vacancies of instructional and support staff if the district or public school academy is assigned to opportunity index band 5 or 6.

(15) Funds used as described in subsection (14) must align with the needs assessment and the multi-tiered system of supports model. A district or public school academy shall not use any of the money described in subsection (14) for administrative costs or to supplant existing funding, including, but not limited to, maintaining existing salaries or costs. A district or public school academy shall report its intent to use funds described in subsection (14) to the department by not later than November 1 of the current fiscal year.

(16) A district or public school academy determined to be eligible to use a portion of funds received under subsection (3) for the purposes described in subsection (14) retains the ability to use funding for the purposes described in subsection (14) for the fiscal year in which eligibility was determined plus 2 additional fiscal years beyond that fiscal year.

(17) By August 1 of each fiscal year, the department must provide a report to districts and public school academies that lists the eligible schools under subsection (14)(a) for the upcoming fiscal year.

~~(18) (14)-~~ A district or public school academy that receives funds under this section may use up to 10% of the funds received under this section to provide evidence-based instruction for pre-kindergarten instructional and noninstructional services to children who meet at least 1 of the criteria in subsection ~~(21)(a)-(25)(a)(i)~~ to (x).

~~(19) (15)-~~ Except as otherwise provided in this subsection, if necessary, the department shall prorate payments under this section, except payments under subsection (7), (8), ~~(19), (23), or (20), (24)~~, by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district. Subject to the availability of funds, if proration is necessary under this subsection, the department must ensure that no district receives an amount less than 11.5% of the target foundation for each economically disadvantaged pupil enrolled in the district.

~~(20) (16)-~~ If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved district was constituent shall determine the estimated number of pupils that are economically disadvantaged and that are enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the district is declared dissolved.

~~(21) (17)-~~ A district or public school academy that receives funds under this section may use funds received under this section to provide an anti-bullying or crisis intervention program.

~~(22) (18)-~~ The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential success coaches to elementary schools that have a high percentage of pupils in grades K to 3 who are not proficient in English language arts, based upon state assessments for pupils in those grades.

(23) (19)-From the state school aid fund money allocated under subsection (1), there is allocated for 2023-2024 only an amount not to exceed \$35,000,000.00 to support primary health care services provided to children and adolescents up to age 21 and for the provision of space upgrades in child and adolescent health center programs. All of the following apply to this allocation:

(a) The funds must be used for only the following purposes:

(i) Modernizing antiquated medical equipment.

(ii) Improving security and patient safety measures.

(iii) Investing in new patient-centered technologies.

(iv) Renovating physical spaces to improve patient privacy and the care setting.

(b) The funds must be expended in a form and manner determined jointly by the department and the department of health and human services.

(c) To be eligible to receive funding under this subsection, a child and adolescent health center program that serves students in the current fiscal year must submit an application in a form and manner determined by the department and the department of health and human services.

(d) An amount ~~not to exceed~~ **equal to** 4% of the funds allocated for 2023-2024 under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state.

(e) Funds appropriated under this subsection are a work project appropriation and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to improve child and adolescent health center program sites and improve delivery of patient care. The estimated completion date of the work project is September 30, 2025.

(24) (20)-From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024 only an amount not to exceed \$10,000,000.00 for an electronic patient data and health care analytic system to be made available to each child and adolescent health center program. The department of health and human services shall collaborate on system implementation with a nonprofit organization exclusively dedicated to serving child and adolescent health center programs in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts, including, but not limited to, technology assessment, design, coordination, and system implementation with child and adolescent health center programs. Funds appropriated under this subsection are a work project appropriation and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to implement an electronic patient data and health care analytic system. The estimated completion date of the work project is September 30, 2028.

(25) (21)-As used in this section:

(a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district has documentation that the pupil meets any of the following criteria:

(i) The pupil is economically disadvantaged.

(ii) The pupil is an English language learner.

(iii) The pupil is chronically absent as defined by and reported to the center.

(iv) The pupil is a victim of child abuse or neglect.

(v) The pupil is a pregnant teenager or teenage parent.

(vi) The pupil has a family history of school failure, incarceration, or substance abuse.

(vii) The pupil is an immigrant who has immigrated within the immediately preceding 3 years.

(viii) The pupil did not complete high school in 4 years and is still continuing in school as identified in the Michigan cohort graduation and dropout report.

(ix) For pupils for whom the results of the state summative assessment have been received, is a pupil who did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.

(x) Is a pupil who is at risk of not meeting the district's or public school academy's core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.

(b) "Combined state and local revenue" means the aggregate of the district's state school aid received by or paid on behalf of the district under section 20 and the district's local school operating revenue.

(c) "Combined state and local revenue per membership pupil" means the district's combined state and local revenue divided by the district's membership excluding special education pupils.

(b) (d)–“Economically disadvantaged” means a pupil who has been determined eligible for free or reduced-price meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition assistance program or temporary assistance for needy families assistance; or who is homeless, migrant, or in foster care, as reported to the center.

(c) (e)–“English language learner” means limited English proficient pupils who speak a language other than English as their primary language and have difficulty speaking, reading, writing, or understanding English as reported to the center.

(f)–“Local school operating revenue” means that term as defined in section 22b.

Sec. 31d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$27,553,400.00 for 2022-2023 and there is allocated an amount not to exceed \$29,553,400.00 for 2023-2024-2024-2025 for the purpose of making payments to districts and other eligible entities under this section.

(2) The amounts allocated from state sources under this section are used to pay the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state mandated portion of lunch programs provided by those districts. The department shall calculate the amount due to each district under this section using the methods of calculation adopted by the Michigan supreme court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997).

(3) The payments made under this section include all state payments made to districts so that each district receives at least 6.0127% of the necessary costs of operating the state mandated portion of the lunch program in a fiscal year.

(4) The payments made under this section to districts and other eligible entities that are not required under section 1272a of the revised school code, MCL 380.1272a, to provide a lunch program must be in an amount not to exceed \$10.00 per eligible pupil plus 5 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined by the department.

(5) From the federal funds appropriated in section 11, there is allocated for 2022-2023 all available federal funding, estimated at \$901,400,000.00, and there is allocated for 2023-2024-2024-2025 all available federal funding, estimated at \$901,400,000.00 for child nutrition programs and, for 2022-2023, all available federal funding, estimated at \$15,000,000.00, and, for 2023-2024, -2024-2025, all available federal funding, estimated at \$15,000,000.00, for food distribution programs.

(6) Notwithstanding section 17b, the department shall make payments to eligible entities other than districts under this section on a schedule determined by the department.

(7) In purchasing food for a lunch program funded under this section, a district or other eligible entity shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$11,900,000.00 for 2022-2023, and there is allocated an amount not to exceed \$16,900,000.00 for 2023-2024-2024-2025 for the purpose of making payments to districts to reimburse for the cost of providing breakfast.

(2) The funds allocated under this section for school breakfast programs are made available to all eligible applicant districts that meet all of the following criteria:

(a) The district participates in the federal school breakfast program and meets all standards as prescribed by 7 CFR parts 210, 220, 225, 226, and 245.

(b) Each breakfast eligible for payment meets the federal standards described in subdivision (a).

(3) The payment for a district under this section is at a per meal rate equal to the lesser of the district’s actual cost or 100% of the statewide average cost of a meal served, as determined and approved by the department, less federal reimbursement, participant payments, and state breakfast reimbursements received under section 30d. The department shall determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

(4) Notwithstanding section 17b, the department may make payments under this section pursuant to an agreement with the department.

(5) In purchasing food for a school breakfast program funded under this section, a district shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,250,000.00 for 2024-2025 only to Lenawee Intermediate District for a student wellness software pilot program case study that will encompass a diverse range of districts that offer grades 3 to 12, representing urban, rural, and suburban communities. The case study described in this section must be used to provide to the department evidence of trends in the following areas:

(a) Absenteeism.

(b) Suspensions and expulsions.

- (c) Behavior incidents.
- (d) Students feeling connected.
- (e) Student sense of belonging.
- (f) Student self-esteem.
- (g) Student motivation.
- (h) Dropout rate.
- (i) Anxiety and depression.
- (j) Student sense of safety at school.

(2) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to provide support for the pilot program described in subsection (1). The estimated completion date of the work project is September 30, 2027.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated for 2023-2024 2024-2025 an amount not to exceed \$500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$8,800,000.00~~ **\$4,000,000.00** for 2023-2024-2024-2025 for a program to support districts and other non-school sponsors in the purchase of locally grown fruits, and vegetables, and legumes as described in this section. ~~It is the intent of the legislature that, for 2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,000,000.00.~~

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed 4% 2% for each partner.

(3) The department shall develop and implement a competitive grant program for districts and other non-school sponsors to assist in paying for the costs incurred by the district or other non-school sponsor to purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district or other non-school sponsor is based on the number of meals served by the district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, or meals served by the other non-school sponsor in the previous school year. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools and other non-school sponsors and electronic information on Michigan agriculture.

(4) The goals of the program under this section include improving daily nutrition and eating habits for children through the school and child care settings while investing in Michigan's agricultural and related food business economy.

(5) A district or other non-school sponsor that receives a grant under this section shall use those funds for the costs incurred by the district or the sponsor to ~~purchase~~ **do both of the following:**

(a) **Purchase** whole or minimally processed fruits, vegetables, and legumes that meet both of the following:

(i) ~~(a)-~~For each fiscal year, were purchased for use in meals and supportive activities as part of the United States Department of Agriculture child nutrition programs provided between ~~September-October~~ **September** 1 through ~~August~~ **September** 30 of that fiscal year.

(ii) ~~(b)-~~Are grown in this state and, if minimally processed, are also processed in this state.

(b) **Pay for labor and food transportation of locally grown fruits, vegetables, and legumes that directly support the activities and goals of the program described in this section. The amount paid under this subdivision must not exceed 25% of the grant award.**

(6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements of subsection (5), the department shall make matching reimbursements in an amount not to exceed 10 cents for every school meal that is served as part of the United States Department of Agriculture's child nutrition programs.

(7) In awarding grants under this section, the department shall work in consultation with Michigan-based farm to school resource organizations, to develop scoring criteria that assess an applicant's ability to procure Michigan-grown products, prepare and menu Michigan-grown products, promote and market Michigan-grown products, and submit letters of intent from districts or other non-school sponsors on plans for educational activities that promote the goals of the program.

(8) The department shall give preference to districts or other non-school sponsors that propose educational activities that meet 1 or more of the following: promote healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

(9) In awarding grants, the department shall also consider all of the following:

(a) The percentage of children who qualify for free or reduced price school meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

(b) The variety of school or child care center sizes and geographic locations within the identified prosperity regions.

(c) Existing or planned collaboration between child care sponsors, between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.

(10) As a condition of receiving a grant under this section, a district or other non-school sponsor shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or other non-school sponsor also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district or other non-school sponsor and school or non-school sponsor food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. ~~Not By~~ **not** later than 60 days after the end of the period in which funds under this section were received, and in which federal child nutrition programs require submission of claims, each district or each non-school sponsor shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:

(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and other non-school sponsors. All of the following apply for purposes of this subdivision:

(i) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and other non-school sponsors, along with the number of different types of products purchased; school and non-school sponsor food purchasing trends identified along with products that are of new and growing interest among food service directors; the number of businesses impacted; and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and legumes.

(ii) The district or other non-school sponsor shall use purchasing data collected for the program and surveys of school and non-school sponsor food service directors on the impact and success of the program as the source for the data described in subparagraph (i).

(b) The ability to which pupils can access a variety of healthy Michigan-grown foods through schools and other non-school sponsor centers and increase their consumption of those foods. All of the following apply for purposes of this subdivision:

(i) The data used to determine whether this subdivision is met are the number of pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and non-school sponsor centers; the variety of products served; new items taste-tested or placed on menus; and the increase in pupil willingness to try new local healthy foods.

(ii) The district or other non-school sponsor shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school and non-school sponsor food service directors as the source for the data described in subparagraph (i).

(11) The department shall compile the reports provided by districts and other non-school sponsors under subsection (10) into 1 legislative report. The department shall provide this report not later than April 1 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

(12) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** for the purposes of this section an amount not to exceed \$106,545,000.00 and from the general fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** for the purposes of this section an amount not to exceed \$1,300,000.00. The department and the department of health and human services shall continue a program to distribute this funding to add licensed behavioral health providers for general education pupils, and recipients of the funds under subsection (6) shall continue to seek federal Medicaid match funding for all eligible mental health and support services.

(2) The department and the department of health and human services shall maintain an advisory council for programs funded under this section and any other funding under this act to improve or maintain the mental health of students, except for programs funded under section 31a(7) and (8). The advisory council shall define goals for implementation of programs, and shall provide feedback on that implementation. At a minimum, the advisory council shall consist of representatives of state associations representing school health, school mental health, school counseling, education, health care, and other organizations, representatives from the department and the department of health and human services, and a representative from the school safety and mental health commission. The department and department of health and human services, working with the advisory council, shall determine an approach to increase capacity for mental health and support services in schools for general education pupils, and shall determine where that increase in capacity qualifies for federal Medicaid match funding.

(3) The advisory council shall develop a fiduciary agent checklist for intermediate districts to facilitate development of a plan to submit to the department and to the department of health and human services. The department and department of health and human services shall determine the requirements and format for intermediate districts to submit a plan for possible funding under subsection (6). The department shall make applications for funding for this program available to districts and intermediate districts **by** not later than December 1 of each fiscal year for which funds are allocated under this section and shall award the funding **by** not later than February 1 of each fiscal year for which funds are allocated under this section.

(4) The department of health and human services shall amend the state Medicaid plan to obtain appropriate Medicaid waivers as necessary for the purpose of generating additional Medicaid match funding for school mental health and support services for general education pupils, and this expansion is called Caring for Students (C4S).

(5) From the state school aid fund money allocated under subsection (1), there is allocated for **2023-2024 2024-2025** an amount not to exceed \$14,300,000.00 to be distributed to the network of child and adolescent health centers to place a licensed master's level behavioral health provider in schools that do not currently have services available to general education students. Child and adolescent health centers that are part of the network described in this subsection shall provide a commitment to maintain services and implement all available federal Medicaid match methodologies. The department of health and human services shall use all existing or additional federal Medicaid match opportunities to maximize funding allocated under this subsection. The department shall provide funds under this subsection to child and adolescent health centers that are part of the network described in this subsection in the same proportion that funding under section 31a(7) is provided to child and adolescent health centers that are part of the network described in this subsection and that are located and operating in those districts. A payment from funding allocated under this subsection must not be paid to an entity that is not part of the network described in this subsection.

(6) From the state school aid fund money allocated under subsection (1), there is allocated for **2023-2024 2024-2025** an amount not to exceed \$87,245,000.00 to be distributed to intermediate districts for the provision of mental health and support services to general education students. Recipients of funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services. If a district or intermediate district is not able to procure the services of a licensed master's level behavioral health provider, the district or intermediate district shall notify the department and the department of health and human services and, if the department and department of health and human services verify that the district or intermediate district attempted to procure services from a master's level behavioral health provider and was not able to do so, then the district or intermediate district may instead procure services from a provider with less than a master's degree in behavioral health. To be able to use the exemption in the immediately preceding sentence, the district or intermediate district must submit evidence satisfactory to the department and department of health and human services demonstrating that the district or intermediate district took measures to procure the services of a licensed master's level behavioral health provider but was unable to do so, and the department and department of health and human services must be able to verify this evidence. From the first \$56,173,600.00 of the funds allocated under this subsection, the department shall distribute up to \$1,003,100.00 for **2023-2024-2024-2025** to each intermediate district that submits a plan approved by the department and the department of health and human services by February 1 of each fiscal year for which funds are allocated under this section. The department shall distribute the remaining \$31,071,400.00 of the funds allocated under this subsection for **2023-2024-2024-2025** to intermediate districts on an equal per-pupil basis based on the combined total number of pupils in membership in the intermediate district and its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705. The department and department of health and human services shall work cooperatively in providing oversight and assistance to intermediate districts and shall monitor the program upon implementation. An intermediate district shall use funds awarded under this subsection to provide funding to its constituent districts, including public school

academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705, for the provision of mental health and support services to general education students. In addition to the criteria identified under subsection (9), an intermediate district shall consider geography, cost, or other challenges when awarding funding to its constituent districts. Districts receiving funding under this subsection are encouraged to provide suicide prevention and awareness education and counseling.

(7) If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district shall notify the department and department of health and human services and submit evidence satisfactory to the department and department of health and human services demonstrating how it would like to use funds for purposes other than hiring licensed behavioral health providers for general education pupils. With permission from the department and department of health and human services, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside mental health agencies; the intermediate district may also contract with 1 or more other intermediate districts for coordination and the facilitation of activities related to providing mental health and support services to general education students residing within the boundaries of the intermediate district; the intermediate district may also use the funds under this section to create or strengthen school-based behavioral health assessment teams that focus on providing age-appropriate interventions, identifying behaviors that suggest a pupil may be struggling with mental health challenges, providing treatment and support of the pupil, and using disciplinary interventions and the criminal justice system as methods of last resort; and the intermediate district may also use the funds under this section to provide evidence-based trainings that support student mental health.

(8) If funding awarded to an intermediate district under this section remains unspent, or if the intermediate district submits an application requesting a lower allocation than the maximum amount permitted, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district or other intermediate districts capable of expending the funds before the funding deadline in accordance with this section as if those funds were originally allocated to the intermediate district or intermediate districts to which the funds are being reallocated.

(9) A district requesting funds under this section from the intermediate district in which it is located shall submit an application for funding for the provision of mental health and support services to general education pupils. A district receiving funding from the application process described in this subsection shall provide services to nonpublic students upon request. An intermediate district shall not discriminate against an application submitted by a public school academy simply on the basis of the applicant being a public school academy. The department shall approve grant applications based on the following criteria:

(a) The district's commitment to maintain mental health and support services delivered by licensed providers into future fiscal years.

(b) The district's commitment to work with its intermediate district to use funding it receives under this section that is spent by the district for general education pupils toward participation in federal Medicaid match methodologies. A district must provide a local match of at least 20% of the funding allocated to the district under section 31n.

(c) The district's commitment to adhere to any local funding requirements determined by the department and the department of health and human services.

(d) The extent of the district's existing partnerships with community health care providers or the ability of the district to establish such partnerships.

(e) The district's documentation of need, including gaps in current mental health and support services for the general education population.

(f) The district's submission of a formal plan of action identifying the number of schools and students to be served.

(g) Whether the district will participate in ongoing trainings.

(h) Whether the district will submit an annual report to the state.

(i) Whether the district demonstrates a willingness to work with the state to establish program and service delivery benchmarks.

(j) Whether the district has developed a school safety plan or is in the process of developing a school safety plan.

(k) Any other requirements determined by the department or the department of health and human services.

(10) Funding under this section, including any federal Medicaid funds that are generated, must not be used to supplant existing services.

(11) Both of the following are allocated to the department of health and human services from the general fund money allocated under subsection (1):

(a) For ~~2023-2024, 2024-2025~~, an amount not to exceed \$1,000,000.00 for the purpose of upgrading technology and systems infrastructure and other administrative requirements to support the programs funded under this section.

(b) For ~~2023-2024, 2024-2025~~, an amount not to exceed \$300,000.00 for the purpose of administering the programs under this section and working on generating additional Medicaid funds as a result of programs funded under this section.

(12) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2023-2024 2024-2025~~ an amount not to exceed \$5,000,000.00 to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section. Recipients of the funds under this subsection shall continue to seek federal Medicaid match funding for all eligible mental health and support services and participate in all learning collaboratives about C4S required by the department and department of health and human services.

(13) The department and the department of health and human services shall work with the advisory council to develop proposed measurements of outcomes and performance. Those measurements must include, at a minimum, the number of pupils served, the number of schools served, and where those pupils and schools were located. The department and the department of health and human services shall compile data necessary to measure outcomes and performance, and districts and intermediate districts receiving funding under this section shall provide data requested by the department and department of health and human services for the measurement of outcomes and performance. The department and department of health and human services shall provide an annual report **by** not later than December 1 of each year to the house and senate appropriations subcommittees on school aid and health and human services, to the house and senate fiscal agencies, and to the state budget director. At a minimum, the report must include measurements of outcomes and performance, proposals to increase efficacy and usefulness, proposals to increase performance, and proposals to expand coverage.

(14) A district or intermediate district that receives funding directly or indirectly under this section may carry over any unexpended funds received under this section for up to 2 fiscal years beyond the fiscal year in which the funds were received.

Sec. 31aa. (1) From the state school aid fund money appropriated in section 11, there is allocated ~~\$310,000,000.00~~ **\$25,000,000.00** for ~~2023-2024 only and 2024-2025~~, and from the general fund money appropriated in section 11, there is allocated ~~\$18,000,000.00~~ **\$1,500,000.00** for ~~2023-2024 only 2024-2025 only~~, to provide payments to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind **that opt in and agree to receive funding under this section**, for activities to improve student mental health and improve student safety. ~~It is the intent of the legislature that recipients will use at least 50% of the funds on activities related to improving student mental health.~~ The allowable expenditures of funds under this section ~~include, but are not limited to, the following:~~ **as follows:**

(a) Hiring or contracting for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, counselors, and school nurses.

(b) Purchasing and implementing mental health screening tools.

(c) Purchasing a statewide, integrated technology platform, such as bhworks, that streamlines behavioral health documentation and care coordination.

~~(d) (e)~~ Providing school-based mental health personnel access to consultation with behavioral health clinicians to respond to complex student mental health needs.

~~(d) Any other mental health service or product necessary to improve or maintain the mental health of students and staff.~~

(e) Purchasing and implementing an online behavioral health tool moderated and led by licensed behavioral health professionals.

(f) Hiring or contracting a behavioral health coordinator.

(g) Evidence-based trainings to support mental health.

(h) Costs associated with collaboration between school employees, families, and community partners to address the academic, behavioral, and social needs of all students through collaborative partnerships, resource coordination, data collection, and data sharing.

(i) Costs associated with conducting a systematic school mental health needs assessment and resource mapping that identifies programmatic and systemic needs and helps staff determine priorities and create action plans.

~~(j) (e)~~ Coordination with local law enforcement.

~~(k) (f)~~ Training for school staff on threat assessment.

~~(l) (g)~~ Training for school staff and students on threat response.

(m) ~~(h)~~ Training for school staff on crisis communication.

(n) ~~(i)~~ Safety infrastructure, including, but not limited to, cameras, door blocks, hardened vestibules, window screening, and technology necessary to operate buzzer systems. This may also include firearm detection software that integrates to existing security cameras to detect and alert school personnel and first responders to visible firearms on school property. ~~The software described in the immediately preceding sentence must be organically developed and proprietary to the company it is purchased from and should not include any third-party or open-source data.~~

(o) ~~(j)~~ Age-appropriate training for students and families on responsible ~~gun~~ **firearm** ownership, **including safe handling and safe storage of firearms.**

(p) ~~(k)~~ School resource officers.

~~(l) Any other school safety service or product necessary to improve or maintain security in buildings.~~

(q) ~~(m)~~ Student Safety Management System, the information technology platform and related services to improve student safety by mitigating cyberbullying, school violence, human trafficking, and self-harm that supports students from grades K to 12.

(r) ~~(n)~~ A secure platform, administered by the department of state police, for school officials, emergency responders, and emergency management coordinators to house all school safety-related items, including, but not limited to, EOP templates, EOP guidance, reference documents, and security assessments. The platform should use existing password-protected access control methods schools currently utilize and, to the extent possible, be capable of integrating with existing platforms or technologies used by districts for school safety. Through permissions-based access control, the platform should be able to relay information clearly and in real time to each person or entity necessary to provide a unified response to a safety incident, or to take appropriate action in response to an anticipated disruption to the normal functions of the surrounding community.

(s) **Emergency infrastructure needs to respond to an immediate threat to the health or safety of students and staff in the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind. A district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind shall not expend funds for this purpose without first obtaining approval from the department. In making a determination of approval, the department shall, at a minimum, assess whether the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind is responding to an immediate threat to the health or safety of students and staff, and whether the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind has other sources of funding that should be utilized first.**

(t) **A contract with a vendor for a comprehensive safety and security assessment or a comprehensive safety and security event assessment in schools operated by the district, intermediate district, nonpublic school, or the Michigan Schools for the Deaf and Blind.**

(u) **An emergency response system.**

(2) ~~From~~ **By not later than December 31 of each fiscal year, from** the state school aid fund money allocated in subsection (1), the department shall make payments to districts, ~~and intermediate districts, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding~~ in an equal amount per pupil based on the total number of pupils in membership in each district, ~~intermediate district, and the Michigan Schools for the Deaf and Blind that opts in and agrees to receive funding.~~ ~~From~~ **By December 31 of each fiscal year, from** the general fund money allocated in subsection (1), the department shall make payments to nonpublic schools ~~that opt in and agree to receive funding~~ in an equal amount per pupil ~~based on the total number of pupils in membership in each nonpublic school that opts in and agrees to receive funding,~~ using pupil counts determined by the department. The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts. ~~Districts, intermediate districts, the Michigan Schools for the Deaf and Blind, and nonpublic schools may opt in and agree to receive funding in a form and manner determined by the department.~~

(3) ~~If funding remains after the distribution of funds as described in subsection (2), the department may provide additional per-pupil allocations to allocate remaining dollars, using for those calculations the same requirements described in subsection (2).~~

(4) ~~Except as otherwise provided in this section, to receive funding under this section, districts, intermediate districts, and nonpublic schools must apply for funding under this section in a form and manner prescribed by the department. In its application described in this subsection, a district, intermediate district, or nonpublic school, as applicable, shall document how it or, if an intermediate district is applying on behalf of a constituent district, its constituent district, will use community input to guide the expenditure of the funds it or the constituent district will receive under this section and it shall pledge to host, or shall pledge on behalf of its constituent district that the constituent district will host, at least 1 community conversation~~

about student mental health and school safety. With consent of its constituent districts, an intermediate district may apply for funding under this section on behalf of its constituent districts. As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

(3) Recipients of funding under this section must provide a final expense report to the department by June 1 of each fiscal year. If the department determines that the eligible recipient has misused the funds allocated under this section, the eligible recipient shall reimburse the department for the amount of state funding misused.

(4) (5)-Districts receiving funds under this section must coordinate with intermediate school districts to avoid duplication of services and to streamline delivery of services to students.

(5) (6)-Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(6) As provided under section 18a, recipients may expend funds under this section until the end of the fiscal year immediately following the fiscal year in which the funds are received.

Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed \$369,120,000.00 for 2022-2023 and an amount not to exceed \$524,720,000.00 **\$609,720,000.00** for 2023-2024. In addition, from the federal funding appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$83,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to eligible intermediate districts and consortia of intermediate districts for great start readiness programs. **2024-2025. It is the intent of the legislature that this section will support universal great start readiness programs in a future fiscal year.** An intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day **programs**, school-day **programs**, GSRP extended programs, ~~or~~ GSRP/Head Start **school-day blended programs, or GSRP/Head Start extended blended programs that are** comprehensive, free, compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department **of lifelong education, advancement, and potential.** For a child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and must meet those eligibility and prioritization guidelines. **A-After eligible children who will be 4 years of age as of September 1 are enrolled, a child who is not 4 years of age as of September 1, but who will be 4 years of age by not later than December 1, is eligible to participate if the both of the following are met:**

(a) The child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district, ~~if the program has capacity on or after September 1 of the school year, and if the~~

(b) The child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed \$367,120,000.00 for 2022-2023 and \$522,720,000.00 **\$607,720,000.00** for 2023-2024, and from the federal funds allocated under subsection (1), an amount not to exceed \$83,000,000.00 for 2022-2023, **2024-2025** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. ~~In order to-~~ To be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. If, due to the number of GSRP extended program ~~or GSRP/Head Start extended blended program~~ slots awarded, the amount allocated in this subsection is ~~not sufficient-~~insufficient to award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year, there is appropriated from the great start readiness program reserve fund the amount necessary to fully award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$500,000.00 for 2022-2023 and \$600,000.00 for 2023-2024 ~~2024-2025~~ for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs. **It is the intent of the legislature that the allocation under this subsection will be \$350,000.00 for 2025-2026.**

(4) ~~To~~ **Except as otherwise provided in subsection (5), to** be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day **programs**, school-day **programs**, GSRP extended programs, ~~or~~ GSRP/Head Start **school-day** blended **programs**, or GSRP/Head Start **extended blended** programs that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:

(a) Participation in a collaborative recruitment and enrollment process to ~~assure~~ **ensure** that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds.

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board, including, at least, the Connect4Learning curriculum.

(c) Nutritional services for all program participants supported by federal, state, and local resources as applicable.

(d) Physical and dental health and developmental screening services for all program participants.

(e) Referral services for families of program participants to community social service agencies, including mental health services, as appropriate.

(f) Active and continuous involvement of the parents or guardians of the program participants.

(g) A plan to conduct and report annual great start readiness program evaluations and continuous improvement plans using criteria approved by the department of **lifelong education, advancement, and potential**.

(h) Participation in a school readiness advisory committee convened as a workgroup of the great start collaborative that provides for the involvement of classroom teachers, parents or guardians of program participants, and community, volunteer, and social service agencies and organizations, as appropriate. The advisory committee ~~annually~~ **annually** review and make recommendations regarding the program components listed in this subsection. The advisory committee also shall make recommendations to the great start collaborative regarding other community services designed to improve all children's school readiness.

(i) The ongoing articulation of the kindergarten and first grade programs offered by the program provider.

(j) Participation in this state's great start to quality process with a rating of at least ~~for 2022-2023, 3 stars, and, for 2023-2024, enhancing quality level.~~

(5) **To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may waive the requirements under subsection (4) and a program may be eligible for funding under this section for new or expanding programs if the program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the program meets all of the following:**

(a) **Is a licensed child care center or is a licensed program.**

(b) **Provides the minimum instructional time as required by the department of lifelong education, advancement, and potential.**

(c) **Participates in this state's quality rating system at a level determined by the department of lifelong education, advancement, and potential.**

(d) **Implements a professional educator preparation plan, as defined by the department of lifelong education, advancement, and potential, for educators not meeting teacher credentialing standards described in subsection (8).**

(e) **Uses a developmentally appropriate curriculum, as determined by the department of lifelong education, advancement, and potential.**

(f) **Conducts a developmental screening and referral process, as determined by the department of lifelong education, advancement, and potential.**

(g) **Commits to participating in program financial review and monitoring, as determined by the department of lifelong education, advancement, and potential.**

(h) **Provides a plan to implement an approved great start readiness program curriculum and meet additional great start readiness program standards, as determined by the department of lifelong education, advancement, and potential.**

(6) **A waiver under subsection (5) may be granted for up to 3 years for requirements related to program credentialing and may be granted for up to 2 years for all other requirements, as determined by the department of lifelong education, advancement, and potential.**

(7) **The department of lifelong education, advancement, and potential shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies that summarizes the number and types of exemptions granted under subsection (5) and progress made by programs granted waivers under subsection (5) by September 30 of each fiscal year. It is the intent of the legislature to review the waiver allowability under subsection (5) before the fiscal year ending September 30, 2027.**

(8) (5)-An application for funding under this section must provide for the following, in a form and manner determined by the department **of lifelong education, advancement, and potential**:

(a) Ensure ~~compliance~~ **either of the following**:

(i) **That the applicant complies** with all program components described in subsection (4).

(ii) **That the applicant meets the requirements of a waiver under subsection (5).**

(b) Except as otherwise provided in this subdivision, ensure that ~~at least 85% of the~~ children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than ~~,for 2022-2023, 250%, and, for 2023-2024, 300%~~ **400%** of the federal poverty guidelines. If the intermediate district determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than ~~,for 2022-2023, 250%, and, for 2023-2024, 300%~~ **400%** of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is ~~equal to or less than, for 2022-2023, 300%, and, for 2023-2024, greater than~~ **400%** of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than ~~,for 2022-2023, 250%, and, for 2023-2024, 300%~~ **400%** of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile. **The department of lifelong education, advancement, and potential shall publish the household income thresholds under this subdivision in a clear manner on its website and the great start to quality website.**

(c) Ensure that the applicant only uses qualified personnel for this program, as follows:

(i) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, except as otherwise provided in this subparagraph, if an applicant demonstrates to the department **of lifelong education, advancement, and potential** that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start readiness program, Head Start, or licensed child care center classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department **of lifelong education, advancement, and potential**, and the department **of lifelong education, advancement, and potential** approves, a plan for each teacher to come into compliance with the standards in this subparagraph. ~~Beginning in 2023-2024, individuals~~ **Individuals** may qualify with at least 3 years of experience and significant training in early childhood education or child development, based on the recommendation of the intermediate district after a classroom observation. A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.

(ii) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential. However, if an applicant demonstrates to the department **of lifelong education, advancement, and potential** that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the applicant may use paraprofessionals who have completed at least 1 course that earns college credit in early childhood education or child development or ~~,beginning in 2023-2024, enrolls~~ **enroll** in a child development associate credential with at least 6 months of verified experience in early education and care, if the applicant provides to the department **of lifelong education, advancement, and potential**, and the department **of lifelong education, advancement, and potential** approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses, 60 clock hours, or an equivalent of training per calendar year.

(d) Include a program budget that contains only those costs that are not reimbursed or reimbursable by federal funding, that are clearly and directly attributable to the great start readiness program, and that would not be incurred if the program were not being offered. Eligible costs include transportation costs. The program budget must indicate the extent to which these funds will supplement other federal, state, local, or private funds. An applicant shall not use funds received under this section to supplant any federal funds received by the applicant to serve children eligible for a federally funded preschool program that has the capacity to serve those children.

(9) (6)-For a grant recipient that enrolls pupils in a school-day program or GSRP extended program funded under this section, each child enrolled in the school-day program or GSRP extended program is counted as described in section 39 for purposes of determining the amount of the grant award.

(10) ~~(7)~~ For a grant recipient that enrolls pupils in a GSRP/Head Start **school-day blended program or GSRP/Head Start extended blended program**, the grant recipient shall ensure that all Head Start and GSRP policies and regulations are applied to the blended slots, with adherence to the highest standard from either program, to the extent allowable under federal law. A grant recipient may request a waiver from the department of **lifelong education, advancement, and potential** to align GSRP policies and regulations with Head Start national standards for quality, including ratios, and the department of **lifelong education, advancement, and potential** may approve the waiver. Not later than March 1 of each year, the department of **lifelong education, advancement, and potential** will report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and type of each waiver requested and approved.

(11) **To help expand access to great start readiness programs, the department may allow great start readiness programs to implement Head Start national performance standards for quality as an alternative to great start readiness program policies and regulations if the great start readiness program demonstrates to the satisfaction of the department that the great start readiness program is meeting the requirements of the Head Start national performance standards.**

(12) ~~(8)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall designate an early childhood coordinator, and may provide services directly or may contract with 1 or more districts or public or private for-profit or nonprofit providers that meet all requirements of subsections (4) and ~~(5)~~ **(8)**.

(13) ~~(9)~~ An intermediate district or consortium of intermediate districts may retain for administrative services provided by the intermediate district or consortium of intermediate districts an amount not to exceed 4% of the grant amount. Expenses incurred by subrecipients engaged by the intermediate district or consortium of intermediate districts for directly running portions of the program are considered program costs or a contracted program fee for service. Subrecipients operating with a federally approved indirect rate for other early childhood programs may include indirect costs, not to exceed the federal 10% de minimis.

(14) ~~(10)~~ An intermediate district or consortium of intermediate districts may expend not more than 2% of the total grant amount for outreach, recruiting, and public awareness of the program, if the intermediate district or consortium of intermediate districts also participates in related statewide marketing and outreach efforts.

(15) ~~(11)~~ Each grant recipient shall enroll children identified under subsection ~~(5)(b)~~ **(8)(b)** according to how far the child's household income is below , for 2022-2023, 250%, and, for 2023-2024, 300% **400%** of the federal poverty guidelines by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below , for 2022-2023, 250%, and, for 2023-2024, 300% **400%** of the federal poverty guidelines, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than , for 2022-2023, 250%, and, for 2023-2024, 300% **400%** of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is ~~equal to or less~~ **greater** than , for 2022-2023, 300%, and, for 2023-2024, 400% of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subsection, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than , for 2022-2023, 250%, and, for 2023-2024, 300% **400%** of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

(16) ~~(12)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall allow parents of eligible children who are residents of the intermediate district or within the consortium to choose a program operated by or contracted with another intermediate district or consortium of intermediate districts and shall enter into a written agreement regarding payment, in a manner prescribed by the department of **lifelong education, advancement, and potential**.

(17) ~~(13)~~ An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a blended Head Start, **GSRP/Head Start school-day blended program, GSRP/Head Start extended blended program**, GSRP extended program, and great start readiness school-day program. Children served in a program funded only through

Head Start are not counted toward this 30% allocation. ~~The~~**An** intermediate district or consortium shall report to the department **of lifelong education, advancement, and potential**, in a manner prescribed by the department **of lifelong education, advancement, and potential**, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the ~~grant recipient~~**intermediate district or consortium** shall notify the department **of lifelong education, advancement, and potential** and, if the department **of lifelong education, advancement, and potential** verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, ~~then~~**the** intermediate district or consortium may retain and use all of its allocation as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department **of lifelong education, advancement, and potential** that the intermediate district or consortium increased the percentage of its total allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department **of lifelong education, advancement, and potential**, and the department **of lifelong education, advancement, and potential** must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total allocation as required under this subsection, including, but not limited to, at least all of the following measures:

(a) The intermediate district or consortium notified each nonparticipating licensed child care center located in the service area of the intermediate district or consortium regarding the center's eligibility to participate, in a manner prescribed by the department **of lifelong education, advancement, and potential**.

(b) The intermediate district or consortium provided to each nonparticipating licensed child care center located in the service area of the intermediate district or consortium information regarding great start readiness program requirements and a description of the application and selection process for community-based providers.

(c) The intermediate district or consortium provided to the public and to participating families a list of community-based great start readiness program subrecipients with a great start to quality rating of at least ~~for 2022-2023, 3 stars, and, for 2023-2024, enhancing quality level.~~

(18) (14) If an intermediate district or consortium of intermediate districts receiving a grant under this section fails to submit satisfactory evidence to demonstrate its effort to contract for at least 30% of its total allocation, as required under subsection ~~(13)~~**(17)**, the department **of lifelong education, advancement, and potential** shall reduce the allocation to the intermediate district or consortium by a percentage equal to the difference between the percentage of an intermediate district's or consortium's total allocation awarded to community-based providers and 30% of its total allocation.

(19) (15) ~~In order to~~**To** assist intermediate districts and consortia in complying with the requirement to contract with community-based providers, for at least 30% of their total allocation, the department **of lifelong education, advancement, and potential** shall do all of the following:

(a) Ensure that a great start resource center or the department **of lifelong education, advancement, and potential** provides each intermediate district or consortium receiving a grant under this section with the contact information for each licensed child care center located in the service area of the intermediate district or consortium by March 1 of each year.

(b) Provide, or ensure that an organization with which the department **of lifelong education, advancement, and potential** contracts provides, a community-based provider with a validated great start to quality rating within 90 days of the provider's having submitted a request and self-assessment.

(c) Ensure that all intermediate district, district, community college or university, Head Start grantee or delegate, private for-profit, and private nonprofit providers are subject to a single great start to quality rating system. The rating system must ensure that regulators process all prospective providers at the same pace on a first-come, first-served basis and must not allow 1 type of provider to receive a great start to quality rating ahead of any other type of provider.

~~(d) Not By~~**not** later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection ~~(13)~~**(17)** and report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total allocation allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district.

(e) Allow intermediate districts and consortia and eligible community-based providers to utilize materials and supplies purchased for great start readiness programs within their facilities for other early care and education activities, in the following order of priority:

(i) Early care and education activities under a federal award.

(ii) Early care and education activities under other state awards.

(iii) Early care and education activities under local or regional awards.

(20) ~~(16)~~-A recipient of funds under this section shall report to the center in a form and manner prescribed by the center the information necessary to derive the number of children participating in the program who meet the program eligibility criteria under subsection (5)~~(b)~~, ~~(8)(b)~~, the number of eligible children not participating in the program and on a waitlist, and the total number of children participating in the program by various demographic groups and eligibility factors necessary to analyze equitable and priority access to services for the purposes of subsection (3).

(21) ~~(17)~~-As used in this section:

(a) ~~“GSRP/Head Start blended program” means a part-day program funded under this section and a Head Start program, which are combined for a school-day program.~~ **“Federal poverty guidelines” means the 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.**

(b) ~~“GSRP extended program” means a program that operates for at least the same length of day as a district’s first grade program for a minimum of 5 days per week, 36 weeks per year.~~

(c) ~~“GSRP/Head Start extended blended program” means a program funded under this section and a Head Start program that are combined for an extended program.~~

(d) ~~“GSRP/Head Start school-day blended program” means a part-day program funded under this section and a Head Start program, which are combined for a school-day program.~~

(e) ~~“Federal poverty guidelines” means the 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.~~

(e) ~~(d)~~ ~~“Part-day program” means a program that operates at least 4 days per week, 30 weeks per year, for at least 3 hours of teacher-child contact time per day but for fewer hours of teacher-child contact time per day than a school-day program.~~

(f) ~~(e)~~ ~~“School-day program” means a program that operates for at least the same length of day as a district’s first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a school-day program must enroll all children for the school day to be considered a school-day program.~~

~~(18) An intermediate district or consortium of intermediate districts receiving funds under this section shall establish and charge tuition according to a sliding scale of tuition rates based upon household income for children participating in an eligible great start readiness program who live with families with a household income that is more than, for 2022-2023, 250%, and, for 2023-2024, 300% of the federal poverty guidelines to be used by all of its providers, as approved by the department.~~

(22) ~~(19)~~-From the amount allocated in subsection (2), there is allocated for 2022-2023 and 2023-2024 2024-2025 an amount not to exceed \$10,000,000.00 and, from the great start readiness program reserve fund appropriated in section 11, there is allocated for 2023-2024–2024-2025 an amount not to exceed \$18,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, **by** not later than November 1 of each year, a program funded under this section that provides transportation shall submit to the intermediate district that is the fiscal agent for the program a projected transportation budget. The amount of the reimbursement for transportation under this subsection is no more than the projected transportation budget or, for 2022-2023, \$300.00, and, for 2023-2024, \$500.00 multiplied by the number of children funded for the program under this section. If the amount allocated under this subsection is insufficient to fully reimburse the transportation costs for all programs that provide transportation and submit the required information, the department **of lifelong education, advancement, and potential** shall prorate the reimbursement in an equal amount per child funded. The department **of lifelong education, advancement, and potential** shall make payments to the intermediate district that is the fiscal agent for each program, and the intermediate district shall then reimburse the program provider for transportation costs as prescribed under this subsection.

(23) ~~(20)~~-Subject to, and from the funds allocated under, subsection (19)~~, (22)~~, the department **of lifelong education, advancement, and potential** shall reimburse a program for transportation costs related to parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. To be eligible for reimbursement under this subsection, a program must submit to the intermediate district or consortia of intermediate districts all of the following:

(a) The names of families provided with transportation support along with a documented reason for the need for transportation support and the type of transportation provided.

(b) Financial documentation of actual transportation costs incurred by the program, including, but not limited to, receipts and mileage reports, as determined by the department **of lifelong education, advancement, and potential**.

(c) Any other documentation or information determined necessary by the department **of lifelong education, advancement, and potential**.

(24) (21)-The department of **lifelong education, advancement, and potential** shall implement a process to review and approve age-appropriate comprehensive classroom level quality assessments for GSRP grantees that support the early childhood standards of quality for prekindergarten children adopted by the state board. The department of **lifelong education, advancement, and potential** shall make available to intermediate districts at least 2 classroom level quality assessments that were approved in 2018.

(25) (22)-An intermediate district that is a GSRP grantee may approve the use of a supplemental curriculum that aligns with and enhances the age-appropriate educational curriculum in the classroom. If the department of **lifelong education, advancement, and potential** objects to the use of a supplemental curriculum approved by an intermediate district, the ~~superintendent-director of the department of lifelong education, advancement, and potential~~ shall establish a review committee independent of the department of **lifelong education, advancement, and potential**. The review committee shall meet within 60 days of the department of **lifelong education, advancement, and potential** registering its objection in writing and provide a final determination on the validity of the objection within 60 days of the review committee's first meeting.

(26) (23)-The department of **lifelong education, advancement, and potential** shall implement a process to evaluate and approve age-appropriate educational curricula that are in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board.

(27) (24)-From the funds allocated under subsection (1), there is allocated for 2022-2023 ~~an amount not to exceed \$2,000,000.00 and there is allocated for 2023-2024-2024-2025~~ an amount not to exceed \$2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program.

(28) (25)-A great start readiness program, a **GSRP extended program**, or a GSRP/Head Start **school-day blended program**, or a **GSRP/Head Start extended blended program** funded under this section is permitted to utilize AmeriCorps Pre-K Reading Corps members in classrooms implementing research-based early literacy intervention strategies.

(29) (26)-In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$35,000,000.00~~ **\$25,000,000.00** for 2022-2023 ~~only~~ **2024-2025 only** for classroom start up grants to intermediate districts and consortia of intermediate districts for new or expanding great start readiness classrooms. All of the following apply to funding allocated under this subsection:

(a) To receive funding under this subsection, intermediate districts and consortia of intermediate districts must apply for the funding in a form and manner prescribed by the department of **lifelong education, advancement, and potential**.

(b) The department of **lifelong education, advancement, and potential** shall pay an amount not to exceed ~~\$25,000.00~~ **\$50,000.00** for each new or expanded classroom. If funding is ~~not sufficient~~ **insufficient** to fully fund all eligible applicants, the department of **lifelong education, advancement, and potential** must prorate the per-classroom amount on an equal basis. If the allocation is not fully paid in the current fiscal year, the department of **lifelong education, advancement, and potential** may award any remaining funding during fiscal year ~~2023-2024~~ **2025-2026** for each new or expanded classroom at an equal amount per classroom, based on remaining available funds, not to exceed ~~\$25,000.00~~ **\$50,000.00** per classroom.

(c) Funds received under this subsection by intermediate districts and consortia of intermediate districts must be paid in full to the entity operating the classroom and may be used for ~~any-1 or more~~ of the following purposes:

(i) Costs associated with attracting, recruiting, retaining, and licensing required classroom education personnel to staff new or expanded classrooms.

(ii) Supporting facility improvements or purchasing facility space necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom.

(iii) Outreach material necessary for public awareness that the great start readiness program has openings in the area and for costs associated with enrolling eligible children in new or expanded classrooms.

(iv) Supporting costs in each new or expanded classroom associated with improving a provider's great start to quality rating.

(d) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 do not lapse to the state school aid fund and are carried forward into 2023-2024. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2024.

(e) **The funds allocated under this subsection for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 do not lapse to the state school aid fund and are carried forward into 2025-2026. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2026.**

(30) (27)-In addition to the funds allocated in subsection (1), there is allocated from the ~~state school aid~~ **general** fund money appropriated under section 11 for ~~2022-2023-2024-2025~~ only an amount not to exceed ~~\$5,000,000.00~~ **\$1,950,000.00** for an **intermediate district** or a consortium of intermediate districts to partner with the department of **lifelong education, advancement, and potential** and community-based organizations to implement a ~~multiyear~~ **continue implementing** statewide **outreach and enrollment** campaign **activities** to raise awareness about the availability of services through the great start readiness program and to develop systems to identify and reach out to eligible families. All of the following apply to funding under this subsection: **promote enrollment**.

(a) Funding under this subsection must be used for the following purposes:

(i) Implementing a statewide outreach campaign to make families aware of the availability of the great start readiness program.

(ii) Organizing community events and outreach activities to inform parents about the availability of the great start readiness program, the positive impacts of early childhood education, and additional early childhood programs available to families.

(iii) Developing and implementing a statewide website that allows providers to advertise available great start readiness slots and allows families to connect with providers to fill open slots. The website must include information about additional early childhood programs for families, including, but not limited to, the child development and care program and Head Start.

(31) (b)-The funds allocated under this subsection (30) for ~~2022-2023-2024-2025~~ are a work project appropriation, and any unexpended funds for ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-2025-2026~~. The purpose of the work project is to raise awareness of and participation in great start readiness programming. The estimated completion date of the work project is September 30, 2027.

(32) (c)-Notwithstanding section 17b, the department of **lifelong education, advancement, and potential** shall make payments under this subsection (30) on a schedule determined by the department of **lifelong education, advancement, and potential**.

(33) As used in this section:

(a) "Child care center" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(b) "Licensed child care center" means a child care center that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care center.

Sec. 32n. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-2025~~ only an amount not to exceed ~~\$50,000,000.00~~ **\$75,000,000.00** to Clinton County RESA ; to collaborate with the department of **lifelong education, advancement, and potential**, for the purposes of this section. The department shall develop a competitive grant program to distribute this funding to eligible entities, as described in subsection (2), as prescribed under this section. **It is the intent of the legislature that, for 2025-2026, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be \$50,000,000.00.**

(2) The department shall establish competitive grant criteria for the ~~From the state school aid fund money allocated in subsection (1), an amount not to exceed \$57,000,000.00 is allocated for a grant program described in subsection (4) for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. The department of lifelong education, advancement, and potential shall establish competitive grant criteria for the program described in this subsection.~~ To be eligible for a grant under this section, ~~subsection~~, the applicant must meet, at a minimum, all of the following criteria:

(a) Serve children in any of grades K to 12.

(b) Be a community-based organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher education, ~~a community or adult education program~~, a public library, a local government, or an intermediate district.

(c) Provide before-school, after-school, before-and-after-school, or summer school programming to children described in subdivision (a). These programs must be used to support expanded learning opportunities, including, but not limited to, mentoring, leadership, community engagement, agriculture, ~~art~~, ~~music~~, **visual and performing arts**, literacy, science, technology, engineering, mathematics, health **and** wellness, and recreation, financial literacy, physical fitness, career and college exploration, youth voice, **21st century skills, conflict resolution, and social engagement** programming.

(d) Address measurable goals, including, but not limited to, improved school attendance, academic outcomes, **improved attitudes toward school, improved** positive behaviors, ~~and skill acquisition~~, **development and retention, higher education aspirations, and improved family engagement** and include activities linked to research or quality practices.

(e) Be 1 of the following:

(i) A licensed child care organization.

(ii) An entity that has an active application to be a licensed child care organization.

(iii) An exempt entity.

(3) The department of **lifelong education, advancement, and potential** shall establish a competitive grant process for awarding funding under ~~this section-subsection (2)~~. The department of **lifelong education, advancement, and potential** shall develop the form and manner for applying for the grants. The application must include a request for information on the applicant's outreach to children, youth, and families who are eligible for free or reduced-price meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j. The application must be open for not less than 30 calendar days. At least 30 days before the application is opened, the department of **lifelong education, advancement, and potential** must publish on its public website the criteria that will be used in evaluating the application that must include, but are not limited to, priorities under subsection (5).

(4) Subject to subsection (8), in determining award amounts under ~~this subsection (2)~~, the department of **lifelong education, advancement, and potential** shall, to the extent practicable, ensure that eligible entities in all geographic regions of this state are represented in the distribution of grant funding under ~~this section-subsection (2)~~.

(5) Subject to subsection (8), the department of **lifelong education, advancement, and potential** shall prioritize the distribution of grant funding under ~~this section-subsection (2)~~ based on, at a minimum, the following:

(a) An applicant's demonstrated need.

(b) The percentage of low-income families in the geographic area being served. Prioritization must be determined by the average percentage of pupils in the district who are eligible for free and reduced-priced meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, where eligible entities will provide before-and-after-school or summer school programs.

(c) Whether the application provides services for the full school year.

(d) The applicant's track record for providing quality, affordable before-and-after-school or summer school services.

(e) Whether an applicant serving children in any of grades K through to 8 is a licensed **child care organization**, or is in the process of becoming licensed ~~is an entity that has an active application to be a licensed child care organization~~, or has implemented the Michigan Out-of-School Time Standards of Quality issued by the state board of education. ~~This does not preclude a nonlicensed entity from applying for funding under this section and being funded under this section if the applicant is an exempt entity.~~

(6) Subject to subsection (7), an eligible entity that receives grant funding under ~~this section-subsection (2)~~ shall use the funding only to provide before-school, after-school, before-and-after-school, or summer school programming to children described in subsection (2)(a). The programming offered under ~~this subsection (2)~~ must meet all of the following:

(a) ~~Be For programming that is offered by a licensed child care organization, be~~ provided to children in a manner in which the children are physically present at ~~a-the building or location designated by the eligible entity for which the licensed child care organization received its license under 1973 PA 116, MCL 722.111 to 722.128, or, for programming that is offered by an exempt entity, be provided to children in a manner in which the children are physically present at a building or location designated by the exempt entity.~~

(b) Provide educational programming in core subject areas, including, but not limited to, mathematics, reading, and science.

(c) Provide data to evaluate the program in a form and manner as prescribed by the department of **lifelong education, advancement, and potential**.

(7) Subject to subsections ~~(2)-(4)~~ and (5), up to 2% of funding allocated under ~~this section-subsection (2)~~ must be allocated to a nonprofit entity with experience serving youth-serving organizations to provide start-up grants and capacity building, professional development, and technical assistance for implementation of high-quality, evidence-based out-of-school time learning opportunities.

(8) The department of **lifelong education, advancement, and potential** shall award no less than 60% of the funding under ~~this section-subsection (2)~~ to community-based organizations.

(9) Notwithstanding section 17b, the department of **lifelong education, advancement, and potential** shall make payments under this section in full upon grant award. Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during the grant period may be required to repay the funding they received under this section to the department of **lifelong education, advancement, and potential**.

(10) The department of **lifelong education, advancement, and potential**, in collaboration with the Michigan Afterschool Partnership, shall convene an advisory committee to review the program components listed within this section and make recommendations to the department of **lifelong education, advancement, and potential** for changes on the program described in this section. The advisory committee shall meet at a schedule set by the department of **lifelong education, advancement, and potential**, or at least quarterly. The advisory committee shall provide for the involvement of, but not limited to, community-based organizations, regional intermediaries, district administrators, youth, parents, and representatives from the business and philanthropic communities, as appropriate.

(11) From the state school aid fund money allocated in subsection (1), Clinton County RESA shall allocate \$18,000,000.00 to recipients under this subsection as follows:

(a) \$4,000,000.00 to support the efforts of FFA.

(b) \$3,000,000.00 to the Boys and Girls Club of Southeast Michigan to expand programming. Programming expansion includes, but is not limited to, construction or remodeling of facilities to allow for new or extended programs.

(c) \$3,000,000.00 to the HYPE Athletics Center to provide programming that may include, but is not limited to, science, technology, engineering, arts, and mathematics (STEAM) programs; literacy and reading programs; after-school programs; youth fitness and athletic programs; and mental health and behavioral health services.

(d) \$1,500,000.00 to Brilliant Detroit to support delivery of high-dosage neighborhood-based tutoring and direct noninstructional services for at-risk pupils who are 3 to 12 years of age. Funding under this subdivision is intended to ensure that pupils are proficient in English language arts by the end of grade 3 and proficient in mathematics by the end of grade 8, that all participants are kindergarten ready, and that pupils are prepared to attend school regularly. As used in this subdivision, “at-risk pupil” means that term as defined in section 31a.

(e) \$1,200,000.00 to the State Alliance of Michigan YMCAs to provide students in grades 6 to 12 with hands-on civics and model-government programs that offer statewide engagement with peers across this state for the purpose of expanding those students’ opportunities to improve their social studies knowledge, thinking skills, and intellectual processes and dispositions required for active engagement in fulfilling responsibilities of civic participation.

(f) \$1,000,000.00 to the Downtown Boxing Gym in Detroit to expand programming. Programming expansion includes, but is not limited to, construction or remodeling of facilities to allow for new or extended programs.

(g) \$1,000,000.00 to support the operations of the Flint Center for Educational Excellence.

(h) \$800,000.00 to the Detroit Opera for educational programming for grades pre-K to 12, including field trips, summer camps, and other learning opportunities. The funds allocated under this subdivision are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to support the Detroit Opera educational programming as described in this subdivision. The estimated completion date of the work project is September 30, 2028.

(i) \$500,000.00 to Special Olympics Michigan, a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that has a mission statement to provide year-round sports training and athletic competition for children and adults with intellectual disabilities. Funding under this subdivision must be used by the organization to expand the organization’s programming.

(j) \$500,000.00 to the Horatio Williams Foundation to support efforts to provide college preparation services, math leagues, sports programming, and literacy services in Detroit.

(k) \$500,000.00 to Friends of the Children, a nonprofit organization that employs salaried professional mentors who support youth and their families from grades K to 12. The salaried professional mentorship program in this subdivision must employ a 2-generational approach to supporting youth in and outside of the classroom, particularly in reading and math comprehension; support students and their families by connecting them to concrete supports like education and employment pathways, housing, utility assistance, and food security; and be located in a city with a population greater than 600,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(l) \$500,000.00 to the Detroit Police Athletic League to support operations and programming including, but not limited to, athletic programs and youth enrichment programs.

(m) \$500,000.00 to the Detroit Science Center, a nonprofit organization that is tax-exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and located in a city with a population greater than 600,000 in a county with a population greater than 1,700,000 according to the most recent federal decennial census. Funds under this subdivision must be used by the nonprofit organization to expand the nonprofit organization’s mission of providing opportunities for students to discover, explore, and appreciate science, technology, engineering, and mathematics in a creative, dynamic learning environment.

(12) Recipients of grants under subsection (11) may not apply for funding under subsection (2).

(13) As used in this section:

(a) “An entity that has an active application to be a licensed child care organization” means an entity that has an active application to be a licensed child care organization under 1973 PA 116, MCL 722.111 to 722.128, and will be a licensed child care organization before the entity provides services for which a child care organization is required to be licensed under 1973 PA 116, MCL 722.111 to 722.128.

(b) “Child care organization” means that term as defined in section 1 of 1973 PA 116, MCL 722.111.

(c) “Exempt entity” means an entity described in section 1(1)(i)(f) to (v) of 1973 PA 116, MCL 722.111.

(d) “Licensed child care organization” means a child care organization that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care organization.

Sec. 32p. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$19,400,000.00 to intermediate districts for ~~2023-2024~~ **2024-2025** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsections (2) and (4), and to provide supports for early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the ~~department's~~ **department of lifelong education, advancement, and potential's** office of great start to provide equitable funding statewide. ~~In order to~~ **To** receive funding under this section, each intermediate district must provide an application to the office of great start **by** not later than September 15 of the immediately preceding fiscal year indicating the strategies planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a family coalition that includes an active partnership with at least 1 community-based organization. The goal of each great start collaborative and family coalition is to ensure the coordination and expansion of local early childhood systems and programs that ~~allow every child in the community to~~ achieve the following outcomes:

(a) Children born healthy.

(b) Children healthy, thriving, and developmentally on track from birth to grade 3.

(c) Children developmentally ready to succeed in school at the time of school entry.

(d) Children prepared to succeed in fourth grade and beyond by reading proficiently by the end of third grade.

(3) Each local great start collaborative and family coalition shall convene workgroups to make recommendations about community services designed to achieve the outcomes described in subsection (2) and to ensure that its local great start system includes the following supports for children from birth through age 8:

(a) Physical and social-emotional health.

(b) Family supports, including, but not limited to, the provision of basic needs and economic self-sufficiency.

(c) Parent leadership and family engagement.

(d) Early education, including the child's development of skills linked to success in foundational literacy, and care.

(e) Community infrastructure.

(4) From the funds allocated in subsection (1), at least \$3,500,000.00 must be used for the purpose of providing home visits to at-risk children and their families. The home visits must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the **department of lifelong education, advancement, and potential**. The goals of the home visits funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through community resources and referrals. The **department of lifelong education, advancement, and potential** shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.

(5) ~~Not By~~ **not** later than December 1 of each year, each intermediate district shall provide a report to the **department of lifelong education, advancement, and potential** detailing the strategies actually implemented during the immediately preceding school year and the families and children actually served. At a minimum, the report must include an evaluation of the services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, the degree to which positive parenting practices were improved, the degree to which there was improved family economic self-sufficiency, and the degree to which community resources and referrals were utilized. The **department of lifelong education, advancement, and potential** shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies **by** not later than February 15 of each year.

(6) In addition to the funds allocated in subsection (1), from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,000,000.00 for 2023-2024-~~2024-2025~~ only for the purpose of improving access to books and other literacy materials for children from birth to age 5. The formula described in subsection (1) must be used to allocate funds to intermediate districts under this subsection. An intermediate district may use the funding to support programs, including, but not limited to, the Dolly Parton Imagination Library, Reach Out and Read Michigan, or any other program that provides books and literacy materials to children from birth to age 5. If funding under this subsection is ~~not sufficient~~ **insufficient** to enroll all interested families in the service, each intermediate district must prioritize enrollment to those families with the highest levels of economic need. If an intermediate district will not fully utilize funding under this subsection, those funds must be returned to the department of **lifelong education, advancement, and potential** for redistribution for the purposes under this subsection.

(7) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in the current fiscal year shall not carry over into the next fiscal year any amount exceeding 15% of the amount awarded to the intermediate district or consortium in the current fiscal year. A recipient of a grant shall return any unexpended grant funds to the department of **lifelong education, advancement, and potential** in the manner prescribed by the department of **lifelong education, advancement, and potential** not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 33. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$11,000,000.00 for 2023-2024 only for grants to eligible districts for the purposes described in this section.

(2) To receive a grant under this section, a district must apply for the grant in a form and manner prescribed by the department.

(3) A district that meets both of the following is an eligible district under this section:

(a) The district must enroll students in grades K to 5, ~~and must not currently have a music education program for grades K to 5.~~

(b) The district must, in its application described in subsection (2), pledge to do all of the following:

(i) Provide for all pupils in grades K to 5 at least ~~90-60~~ minutes per week of instruction in music **or visual arts**, taught by a certificated teacher ~~with a JX or JQ who has, or is working towards, the appropriate endorsement issued by the department.~~ **For teaching music, the appropriate endorsement is a JX or JQ endorsement. For teaching visual arts, the appropriate endorsement is an LQ, LX, or LZ endorsement.**

(ii) Implement staffing that includes at least 1 certificated teacher with a JX or JQ **music endorsement or an LQ, LX, or LZ visual arts** endorsement issued by the department for every 400 pupils enrolled in grades K to 5.

(iii) Adopt and implement, **or maintain**, specific curricula for music **or visual arts**.

(iv) Maintain in each elementary school at least 1 space that is **either dedicated to music or visual arts instruction or designated to be used** for music **or visual arts** instruction and that allows for effective implementation of the music **or visual arts** curriculum, with consideration given to the physical materials and tools needed for music **or visual arts** instruction.

(v) Establish and maintain a separate dedicated budget for music **or visual arts** instruction in grades K to 5.

(vi) **Participate in the collection of data in the fall and spring of the 2024-2025 school year on changes in course offerings, instructor qualifications, student course enrollments, and other aspects of the district's music or visual arts programs as determined by the department and MI Creative Potential.**

(vii) **Commit to including music and visual arts in district and school continuous improvement planning using the program review tool that accompanies the Michigan Blueprint of a Quality Arts Education, available in the Michigan Integrated Continuous Improvement Process database.**

(viii) **Adopt and implement a plan to satisfy the recommendations listed in the Michigan Blueprint of a Quality Arts Education program.**

(4) Grants awarded under this section must be awarded for the coverage of costs for 1 year of additional costs, including 1-time costs, for the district to implement **or maintain** a music **or visual arts** program.

(5) **In awarding grants under this section, the department shall prioritize as follows:**

(a) **The department shall first award grants to districts that are first-time applicants and meet 1 of the following:**

(i) **The district currently has a music or visual arts program that meets the requirements of subsection (3)(b)(i) to (vii) but does not meet the recommendations listed in the Michigan Blueprint of a Quality Arts Education program and the district will use the grant to move toward implementing those recommendations.**

(ii) The district does not currently have a music program that meets the requirements of subsection (3)(b)(i) to (vii) or does not currently have a visual arts program that meets the requirements of subsection (3)(b)(i) to (vii).

(b) If there is funding remaining after awarding grants to districts described in subdivision (a), the department shall award grants to other eligible districts.

(6) ~~(5)~~-All grants under this section must be awarded by not later than February 1, ~~2024~~**of the fiscal year in which the grant is approved.**

(7) ~~(6)~~-If the total funding allocated under this section is ~~not sufficient~~**insufficient** to fully fund payments to all eligible districts under this section, the department shall prorate payments to all eligible districts on an equal percentage basis.

(8) ~~(7)~~-Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(9) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to provide for music or visual arts education. The estimated completion date of the work project is September 30, 2027.

Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2023-2024~~**2024-2025** for the purposes of this section an amount not to exceed ~~\$77,900,000.00~~**\$82,900,000.00** from the state school aid fund, and there is allocated for ~~2023-2024~~ for the purposes of subsection (8) an amount not to exceed ~~\$5,000,000.00~~ from the general fund. **It is the intent of the legislature that, for 2025-2026, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be \$67,900,000.00.** Excluding staff or contracted employees funded under subsection (8), the superintendent shall designate staff or contracted employees funded under this section as critical shortage. ~~Programs funded under this section are intended to ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025 according to the National Assessment of Educational Progress (NAEP).~~ By **not later than** December 31 of each fiscal year in which funding is allocated under this section, the superintendent of public instruction shall do both of the following:

(a) Report in person to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection **early literacy** and be available for questioning as prescribed through a process developed by the chairs of the house and senate appropriations subcommittees on school aid.

(b) Submit a written report to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection **early literacy**.

(2) A district that receives funds under subsection (5) may spend up to 5% of those funds for professional development for educators in a department-approved research-based training program related to current state literacy standards for pupils in grades pre-K to 3-5. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.

(3) A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to 3-5 and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

(a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).

(b) Phonics - decoding (reading) and encoding (spelling).

(c) Fluency.

(d) Comprehension - making meaning of text.

(4) From the allocation under subsection (1), there is allocated an amount not to exceed \$42,000,000.00 for ~~2023-2024~~**2024-2025** for the purpose of providing early literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 3-5 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

(a) The department shall develop an application process consistent with the provisions of this subsection. An application must provide assurances that literacy coaches funded under this subsection are knowledgeable about at least the following:

(i) Current state literacy standards for pupils in grades pre-K to 3.

(ii) Implementing an instructional delivery model based on frequent use of formative, screening, and diagnostic tools, known as a multi-tiered system of supports, to determine individual progress for pupils in grades pre-K to 3-5 so that pupils are reading at grade level by the end of grade 3.

(iii) The use of data from diagnostic tools to determine the necessary additional supports and interventions needed by individual pupils in grades pre-K to 3 ~~in order to be reading-read~~ at grade level.

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner:

(i) The department shall award each intermediate district grant funding to support the cost of 2 early literacy coaches in an equal amount per early literacy coach, not to exceed \$125,000.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed \$125,000.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district.

(c) If an intermediate district that receives funding under this subsection uses an assessment tool that screens for characteristics of dyslexia, the intermediate district shall use the assessment results from that assessment tool to identify pupils who demonstrate characteristics of dyslexia.

(d) All literacy coaches funded under this subsection must have already received, or be making progress toward receiving, professional learning by the approved provider described in subsection (11).

(e) To be eligible to receive funding under this subsection, an intermediate district must provide the department with a list by September 1 of the immediately preceding fiscal year containing contact information for all literacy coaches funded under this subsection, in a form and manner determined by the department. An intermediate district shall communicate any personnel changes and changes to contact information for literacy coaches funded under this subsection to the department within 30 days of the personnel change or change in contact information.

(5) From the allocation under subsection (1), there is allocated an amount not to exceed \$19,900,000.00 for ~~2023-2024-2024-2025~~ to districts that provide additional instructional time to those pupils in grades pre-K to 5 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions ~~in order to be reading-read~~ at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

~~(a) In order to~~ **(a) To** be eligible to receive funding, a district must demonstrate to the satisfaction of the department that the district has done all of the following:

(i) Implemented a multi-tiered system of supports instructional delivery model that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports must provide at least all of the following essential components:

(A) Team-based leadership.

(B) A tiered delivery system.

(C) Selection and implementation of instruction, interventions, and supports.

(D) A comprehensive screening and assessment system.

(E) Continuous data-based decision making.

(ii) Used department-approved research-based diagnostic tools to identify individual pupils in need of additional instructional time.

(iii) Used a reading instruction method that focuses on the 5 fundamental building blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge.

(iv) Provided teachers of pupils in grades pre-K to 5 with research-based professional development in diagnostic data interpretation.

(v) Complied with the requirements under section 1280f of the revised school code, MCL 380.1280f.

(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal per-first-grade-pupil basis.

(c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection are prorated on an equal per-pupil basis based on grade 1 pupils.

~~(6) Not By~~ **(6) By** not later than September 1 of each year, a district that receives funding under subsection (5) in conjunction with the Michigan student data system, if possible, shall provide to the department a report that includes at least both of the following, in a form and manner prescribed by the department:

(a) For pupils in grades pre-K to ~~3-5~~, the teachers, pupils, schools, and grades served with funds under this section and the categories of services provided.

(b) For pupils in grades pre-K to ~~3-5~~, pupil proficiency and growth data that allows analysis both in the aggregate and by each of the following subgroups, as applicable:

(i) School.

(ii) Grade level.

- (iii) Gender.
- (iv) Race.
- (v) Ethnicity.
- (vi) Economically disadvantaged status.
- (vii) Disability.
- (viii) Pupils identified as having reading deficiencies.

(7) From the allocation under subsection (1), there is allocated an amount not to exceed \$6,000,000.00 for 2023-2024–2024-2025 to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:

(a) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:

- (i) Literacy essentials teacher and principal training modules.
- (ii) Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.

(iii) The placement of regional lead literacy coaches to facilitate professional learning for early literacy coaches. These regional lead literacy coaches shall provide support for new literacy coaches, building teachers, and administrators and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.

(iv) Provide \$500,000.00 from this subsection for literacy training, modeling, coaching, and feedback for district principals or chief administrators, as applicable. The training described in this subparagraph must use the pre-K and K to 3 essential instructional practices in literacy created by the general education leadership network as the framework for all training provided under this subparagraph.

(v) Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.

(b) ~~Not~~ **By not** later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts and mathematics and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.

(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.

(8) From the ~~general fund money allocated in~~ **allocation under** subsection (1), the department shall allocate the amount of \$5,000,000.00 for 2023-2024 ~~2024-2025~~ only to the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. ~~All of the following apply to funding under this subsection: an intermediate district or a consortium of intermediate districts to partner with the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. An intermediate district or a consortium of intermediate districts receiving funding under this subsection must forward the amount received under this subsection to the Michigan Education Corps for statewide services. As conditions of receiving funding from an intermediate district or a consortium of intermediate districts, all of the following apply to funding received by the Michigan Education Corps under this subsection:~~

(a) By September 1 of the current fiscal year, the Michigan Education Corps shall provide a report concerning its use of the funding to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the senate and house caucus policy offices on outcomes and performance measures of the Michigan Education Corps, including, but not limited to, the degree to which the Michigan Education Corps' replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is demonstrating sufficient efficacy and impact. The report must include data pertaining to at least all of the following:

(i) The current impact of the programs on this state in terms of numbers of children and schools receiving support. This portion of the report must specify the number of children tutored, including dosage and completion, and the demographics of those children.

(ii) Whether the assessments and interventions are implemented with fidelity. This portion of the report must include details on the total number of assessments and interventions completed and the range, mean, and standard deviation.

(iii) Whether the literacy or math improvement of children participating in the programs is consistent with expectations. This portion of the report must detail at least all of the following:

(A) Growth rate by grade or age level, in comparison to targeted growth rate.

(B) Average linear growth rates.

(C) Exit rates.

(D) Percentage of children who exit who also meet or exceed spring benchmarks.

(iv) The impact of the programs on organizations and stakeholders, including, but not limited to, school administrators, internal coaches, and AmeriCorps members.

(b) If the department determines that the Michigan Education Corps has misused the funds allocated under this subsection, the Michigan Education Corps shall reimburse this state for the amount of state funding misused.

(c) ~~The department~~ **An intermediate district or a consortium of intermediate districts** may not reserve any portion of the allocation provided under this subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps' funding, or the Michigan Education Corps' programming unless agreed to in writing by the Michigan Education Corps. ~~The department~~ **An intermediate district or a consortium of intermediate districts** shall award the entire amount allocated under this subsection to the Michigan Education Corps and shall not condition the ~~awarding-forwarding~~ of this funding on the implementation of an independent evaluation.

(9) If a district or intermediate district expends any funding received under subsection (4) or (5) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described under subdivision (a). All of the following apply to the requirement under this subsection:

(a) The department shall issue a request for proposals for professional development programs in research-based effective reading instruction to develop an initial approved list of professional development programs in research-based effective reading instruction. The department shall make the initial approved list public and shall determine if it will, on a rolling basis, approve any new proposals submitted for addition to its initial approved list.

(b) To be included as an approved professional development program in research-based effective reading instruction under subdivision (a), an applicant must demonstrate to the department in writing the program's competency in all of the following topics:

(i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(ii) Appropriate use of assessments and differentiated instruction.

(iii) Selection of appropriate instructional materials.

(iv) Application of research-based instructional practices.

(c) As used in this subsection, "effective reading instruction" means reading instruction scientifically proven to result in improvement in pupil reading skills.

(10) From the allocation under subsection (1), there is allocated an amount not to exceed \$10,000,000.00 for **2023-2024-2024-2025** only for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows:

(a) The department must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment for the remaining school personnel described in this subsection.

(b) The department must maintain open enrollment until all funds are expended.

(11) For the provision of professional learning to the school personnel described in subsection (10), the department shall approve LETRS as the approved provider of professional learning, if LETRS continues to meet all of the following:

(a) Be offered through a system of training that provides educators with the knowledge base to effectively implement any class-wide, supplemental, or intervention reading approach and to determine why some students struggle with reading, writing, spelling, and language.

(b) Provide training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly-learned skills with students in the classroom.

(c) Include integrated components for educators and administrators in pre-K to grade 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subdivision must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion.

(d) Build teacher content knowledge and pedagogical knowledge of the critical components of literacy including how the brain learns to read, phonological and phonemic awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language; fluency; comprehension; spelling and writing; and the organization of language.

(e) Support educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components:

(i) Team-based leadership.

(ii) A tiered delivery system.

(iii) Selection and implementation of instruction, interventions, and supports.

(iv) A comprehensive screening and assessment system.

(v) Continuous data-based decision making.

(12) Notwithstanding section 17b, the department shall make payments made under subsections (7) and (8) on a schedule determined by the department.

(13) As used in this section:

(a) “Dyslexia” means both of the following:

(i) A specific learning disorder that is neurobiological in origin and characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities that typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and the provision of effective classroom instruction.

(ii) A specific learning disorder that may include secondary consequences, such as problems in reading comprehension and a reduced reading experience that can impede the growth of vocabulary and background knowledge and lead to social, emotional, and behavioral difficulties.

(b) “Evidence-based” means an activity, program, process, service, strategy, or intervention that demonstrates statistically significant effects on improving pupil outcomes or other relevant outcomes and that meets at least both of the following:

(i) At least 1 of the following:

(A) Is based on strong evidence from at least 1 well-designed and well-implemented experimental study.

(B) Is based on moderate evidence from at least 1 well-designed and well-implemented quasi-experimental study.

(C) Is based on promising evidence from at least 1 well-designed and well-implemented correlational study with statistical controls for selection bias.

(D) Demonstrates a rationale based on high-quality research findings or positive evaluation that the activity, program, process, service, strategy, or intervention is likely to improve pupil outcomes or other relevant outcomes.

(ii) Includes ongoing efforts to examine the effects of the activity, program, process, service, strategy, or intervention.

(c) “Explicit” means direct and deliberate instruction through continuous pupil-teacher interaction that includes teacher modeling, guided practice, and independent practice.

(d) “Fluency” means the ability to read with speed, accuracy, and proper expression.

(e) “Multi-tiered system of supports” means a comprehensive framework that includes 3 distinct tiers of instructional support and is composed of a collection of evidence-based strategies designed to meet the individual needs and assets of a whole pupil at all achievement levels.

(f) “Phonemic awareness” means the conscious awareness of all of the following:

(i) Individual speech sounds, including, but not limited to, consonants and vowels, in spoken syllables.

(ii) The ability to consciously manipulate through, including, but not limited to, matching, blending, segmenting, deleting, or substituting, individual speech sounds described in subparagraph (i).

(iii) All levels of the speech sound system, including, but not limited to, word boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and phonemes.

(g) “Phonological” means relating to the system of contrastive relationships among the speech sounds that constitute the fundamental components of a language.

(h) “Progress monitoring” means the assessing of students’ academic performance, quantifying students’ rates of improvement or progress toward goals, and determining how students are responding to instruction.

(i) “Rapid automatized naming (RAN)” means a task that measures how quickly individuals can name objects; pictures; colors; or symbols, including letters and digits, aloud, which can predict later reading abilities for preliterate children.

Sec. 35d. (1) From the state school aid fund money appropriated under section 11, for ~~2023-2024~~**2024-2025** only, there is allocated an amount not to exceed \$1,000,000.00 for the department to provide grants to districts and intermediate districts for the purchase of 1 or more components or trainings through an eligible teacher training program for children with dyslexia from a provider of an eligible teacher training program for children with dyslexia as provided under this section.

(2) A provider that provides programming that meets all of the following is considered to be a provider of an eligible teacher training program for purposes of this section:

(a) Allows teachers to incorporate the 5 components essential to an effective reading program into their daily lessons. The 5 components described in this subdivision are phonemic awareness, phonics, vocabulary, fluency, and comprehension.

(b) Trains educators to teach reading using a proven, multisensory approach.

(c) Educates teachers on how to explicitly and effectively teach reading to beginning readers.

(d) Breaks reading and spelling down into smaller skills involving letters and sounds, and then builds on these skills over time.

(e) Uses multisensory teaching strategies to teach reading by using sight, hearing, touch, and movement to help students connect and learn the concepts being taught.

(3) Districts and intermediate districts may apply to the department for grants to purchase components or training through an eligible teacher training program from a provider of an eligible teacher training program, and, upon receiving an application but except as otherwise provided in this subsection, the department shall make payments to districts and intermediate districts for those purchases. The department shall make payments under this section on a first-come, first-served basis until funds are depleted.

Sec. 35m. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$87,000,000.00 for the purposes described in this section, including payments to improve educational outcomes in literacy.

(2) The department shall create the committee for literacy achievement that includes representatives of higher education and early childhood literacy educators who have expertise in literacy instruction and research. The department shall appoint the members of the committee for literacy achievement. The department shall develop a process to identify and assemble experts for the committee. The primary focus of the committee is to recommend tools and strategies with the goal of increasing student academic outcomes in the area of literacy. The committee is encouraged to collaborate with the Michigan Education Research Institute or other entities with similar expertise on the subject of literacy. The department shall determine the size, timeline, and benchmarks of the committee. The committee shall do all of the following:

(a) Critically evaluate early literacy series and materials. The committee shall evaluate with research-based outcomes, using the committee’s expertise in the field of literacy. The committee shall assign grade tiers to the series based on the series’ likelihood to increase student literacy outcomes. Priority must be given to series that already have a demonstrated history of increasing student outcomes.

(b) Critically evaluate literacy professional development. The committee shall evaluate with research-based outcomes, using the committee’s expertise in the field of literacy. The committee shall assign grade tiers to the professional development based on the professional development’s likelihood to increase student literacy outcomes. Priority must be given to professional development that already has a demonstrated history of increasing student outcomes.

(c) Critically evaluate other applicable literacy tools or services the committee determines to have a high likelihood or demonstrated history of increasing student literacy outcomes.

(d) Create and maintain a rankings list of all early literacy series and other items the committee has evaluated. The committee shall denote on the list whether major changes have been made to an early literacy series or other item on the list since the early literacy series or other item was evaluated by the committee and if the early literacy series or other item has not been evaluated since the last ranking.

(3) An individual on the committee shall recuse themselves from evaluating early literacy series and other items that the individual has helped create, that the individual would benefit from financially, or for which the individual has any other conflict of interest.

(4) From the funds allocated in subsection (1), the department shall make payments to districts and intermediate districts in an amount and on a schedule determined by the department. The department shall use the rankings list described in subsection (2) as the basis for how funding is allocated in subsection (1) to districts and intermediate districts. Districts and intermediate districts using higher-

ranked literacy tools that are proven to increase student outcomes shall receive more funding than districts and intermediate districts utilizing lower-ranked literacy tools in both the base award and the per-pupil awards described in this subsection. The department may determine that some districts and intermediate districts will not receive funding under this section based on the effectiveness of the early literacy series or other items being utilized by the district or intermediate district. The department shall award funding under this section using the following methodology:

(a) A base award equal to the amount necessary for the district or intermediate district to implement the chosen early literacy series or other item. The department may place a cap on the total award per district, intermediate district, or early literacy series or other item and may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.

(b) A per-pupil award based on the number of pupils in membership at the district and intermediate district. The per-pupil amount must be larger for districts and intermediate districts using higher-ranked early literacy series or other items as determined under subsection (2). The department may choose not to award funding if the early literacy series or other item is determined to be ineffective or is determined to be less effective than other choices.

(5) From the funding allocated in subsection (1), the department may pay an annual stipend of up to \$8,000.00 for each member of the committee for literacy achievement who is employed by or at a public institution of higher education, a district, or an intermediate district. A stipend must be commensurate with the committee member's contribution to the committee during the fiscal year. Funding must be paid to the public institution of higher education, the district, or the intermediate district where the committee member is employed, and the public institution of higher education, the district, or the intermediate district must then use funding received to award the stipend directly to the individual committee member. A committee member who is not employed by or at a public institution of higher education, a district, or an intermediate district is not eligible to receive a stipend under this subsection.

(6) To be eligible for funding under this section, a district or intermediate district must apply in a form and manner determined by the department. As a condition of receiving the funding, the district or intermediate district must agree to provide to the department information on the early literacy series and other items used for the previous and current school years and to provide this information twice a year, on or before March 31 and August 1.

(7) Except as otherwise provided in this section and notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to improve literacy instructional practices. The estimated completion date of the work project is September 30, 2028.

Sec. 35n. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$10,000,000.00 to the READ innovation competition. The READ innovation competition shall provide startup money to eligible districts to develop and deploy innovative literacy initiatives that make a positive impact on student literacy rates and shall provide incentive money to districts determined to have demonstrated the greatest impact. Funds allocated under this section are intended to foster district-led innovations in literacy instruction grounded in the science of reading, provide the state with insights into successful practices that could be scaled statewide, and improve student outcomes in literacy.

(2) The department, in collaboration with the literacy commission, shall establish the structure of the READ innovation competition, including the length of the competition, eligible categories in which districts may compete, the methods and timelines by which districts must collect and report data, the number of rounds of competition, the number of districts eligible to advance to subsequent rounds, and the amount of incentive payments provided per round per district.

(3) To be eligible to receive funding under this section, a district or intermediate district must apply in a form and manner determined by the department. The application must include, at a minimum, all of the following:

(a) The competition category in which the district will compete.

(b) A description of the innovative literacy initiative the district intends to deploy during the competition, including its goals, strategies, target student population, impacted student count, and intended outcomes.

(c) A description of how the district will measure student literacy outcomes during the time frame of the competition in a reliable, periodic, and standardized way, including methods by which student progress in the applicant district can be benchmarked against student progress in other districts.

(d) An agreement to provide data necessary for the department to evaluate student growth.

(e) The amount of funding required by the district to implement the innovative literacy initiative.

(4) Applications received by the department under this section must be evaluated by the literacy commission. A member of the literacy commission shall abstain from evaluating an application and making funding decisions under this section for any district in which the member has a conflict of interest. The evaluation must be based on, at a minimum, all of the following:

(a) The quality of innovation being proposed, the alignment with the selected competition category, and the likelihood that it will result in the outcomes included in the district's application.

(b) The percentage of students districtwide that will be impacted by the proposed program during the time frame of the competition.

(c) The level to which student literacy growth in the applicant district can be benchmarked against student literacy growth in other districts.

(d) The likelihood that the proposed initiative, if successful, could be expanded statewide.

(5) The department shall award startup funding to a selection of the highest scoring applicants for each competition category, based on the evaluation of applicants by the literacy commission. The department may determine a maximum number of eligible districts per competition category. A district is only eligible to compete in 1 competition category. The department may determine a maximum amount of startup money that may be received by any district. Recipients of funding under this subsection must use that funding to implement the recipient's proposed innovative literacy initiatives.

(6) On a periodic basis determined by the department, for each eligible competition category in which a district may compete, the eligible districts must measure and report to the department, in a form and manner determined by the department, growth in student literacy scores amongst students targeted by the innovative literacy initiative. The districts demonstrating the highest levels of student literacy growth advance to the next round of the competition and are eligible for additional incentive money to further implement their innovative literacy initiatives. The department must repeat the process described in this subsection until a selection of 3 finalist districts for each competition category are determined.

(7) The finalist districts for each competition category shall prepare a presentation for the literacy commission with a summary of the district's innovative literacy initiative, including evidence of student growth, specific implementation strategies that led to success, a description of implementation obstacles and the methods used by the district to overcome these obstacles, and ways the program could be scaled for statewide implementation. Based on this summary and the overall demonstrated success of the program, the literacy commission shall select 1 winning district from each competition category. The winning district from each competition category is awarded, by the department, \$500,000.00 to continue to support literacy initiatives and other academic needs of the district.

(8) At the conclusion of the READ innovation competition, the literacy commission shall provide a report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director on the winning literacy initiatives that could be scaled statewide to improve student literacy.

(9) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(10) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2028. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2028.

(11) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to implement the READ innovation competition and provide payments to districts implementing innovative literacy initiatives. The estimated completion date of the work project is September 30, 2027.

(12) As used in this section:

(a) "Literacy commission" means a commission or committee selected or assembled by the department for the purposes of administering this section.

(b) "READ innovation competition" means the reading excellence and advancing district innovation competition.

Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department **of lifelong education, advancement, and potential**, by a date specified by the department **of lifelong education, advancement, and potential** in the immediately

preceding fiscal year. An eligible applicant is not required to amend the applicant's current accounting cycle or adopt this state's fiscal year accounting cycle in accounting for financial transactions under this section. The application must include all of the following:

(a) The estimated total number of children in the community who meet the criteria of section 32d and the total number of age-eligible children in the community, as provided to the applicant by the department of **lifelong education, advancement, and potential** utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department of **lifelong education, advancement, and potential** shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant has the capacity to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

(2) After notification of funding allocations, an applicant receiving funds under section 32d shall also submit an implementation plan for approval, in a form and manner prescribed by the department of **lifelong education, advancement, and potential**, by a date specified by the department of **lifelong education, advancement, and potential**, that details how the applicant complies with the program components established by the department of **lifelong education, advancement, and potential** under section 32d.

(3) The initial allocation to each eligible applicant under section 32d is the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by ~~\$9,608.00~~, **\$10,185.00**, the number of children served in a GSRP extended program in the preceding school year multiplied by ~~\$11,530.00~~, and ~~\$12,222.00~~, the number of children served in a GSRP/Head Start **school-day** blended program or a part-day program in the preceding school year multiplied by ~~\$4,804.00~~ **\$5,093.00**, and the number of children served in a GSRP/Head Start **extended blended program in the preceding school year multiplied by \$6,111.00**.

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day program multiplied by ~~\$9,608.00~~, **\$10,185.00**, the number of children served in a GSRP extended program the applicant has the capacity to serve in the current school year multiplied by ~~\$11,530.00~~, and ~~\$12,222.00~~, the number of children served in a GSRP/Head Start **school-day** blended program or a part-day program the applicant has the capacity to serve in the current school year multiplied by ~~\$4,804.00~~ **\$5,093.00**, and the number of children served in a GSRP/Head Start **extended blended program the applicant has the capacity to serve in the current school year multiplied by \$6,111.00**.

(4) If funds remain after the allocations under subsection (3), the department of **lifelong education, advancement, and potential** shall distribute the remaining funds to each intermediate district or consortium of intermediate districts that serves less than the state percentage benchmark determined under subsection (5). The department of **lifelong education, advancement, and potential** shall distribute these remaining funds to each eligible applicant based upon each applicant's proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in intermediate districts or consortia of intermediate districts serving less than the statewide percentage benchmark. When all applicants have been given the opportunity to reach the statewide percentage benchmark, the statewide percentage benchmark may be reset, as determined by the department of **lifelong education, advancement, and potential**, until greater equity of opportunity to serve eligible children across all intermediate school districts has been achieved.

(5) For the purposes of subsection (4), the department of **lifelong education, advancement, and potential** shall calculate a percentage of children served by each intermediate district or consortium of intermediate districts by adding the number of children served in the immediately preceding year by that intermediate district or consortium with the number of eligible children under section 32d served exclusively by Head Start, as reported in a form and manner prescribed by the department of **lifelong education, advancement, and potential**, within the intermediate district or consortia service area and dividing that total by the total number of children within the intermediate district or consortium of intermediate districts who meet the criteria of section 32d as determined by the department of **lifelong education, advancement, and potential** utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department of **lifelong education, advancement, and potential** shall compare the resulting percentage of eligible children served to a statewide percentage benchmark to determine if the intermediate district or consortium is eligible for additional funds under subsection (4). The statewide percentage benchmark is 100%.

(6) If, taking into account the total amount to be allocated to the applicant as calculated under this section, an applicant determines that it is able to include additional eligible children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but does not receive additional funding under section 32d for those children.

(7) The department of **lifelong education, advancement, and potential** shall review the program components under section 32d and under this section at least biennially. The department of **lifelong education, advancement, and potential** also shall convene a committee of internal and external stakeholders at least once every 5 years to ensure that the funding structure under this section reflects current system needs under section 32d.

(8) As used in this section, “GSRP/Head Start blended program”, “GSRP extended program”, “part-day program”, and “school-day program” mean those terms as defined in section 32d.

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated for ~~2022-2023 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$782,600,000.00, and there is allocated for 2023-2024 2024-2025 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$754,700,000.00, for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:~~

(a) An amount estimated at ~~\$1,200,000.00 for 2022-2023 and \$1,200,000.00 for 2023-2024~~ **2024-2025** to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) An amount estimated at ~~\$100,000,000.00 for 2022-2023 and \$100,000,000.00 for 2023-2024~~ **2024-2025** for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) An amount estimated at ~~\$13,000,000.00 for 2022-2023 and \$13,000,000.00 for 2023-2024~~ **2024-2025** for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) An amount estimated at ~~\$2,800,000.00 for 2022-2023 and \$2,800,000.00 for 2023-2024~~ **2024-2025** for rural and low-income schools, funded from DED-OESE, rural and low income school funds.

(e) An amount estimated at ~~\$535,000,000.00 for 2022-2023 and \$535,000,000.00 for 2023-2024~~ **2024-2025** to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(f) An amount estimated at ~~\$9,200,000.00 for 2022-2023 and \$9,200,000.00 for 2023-2024~~ **2024-2025** for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) An amount estimated at ~~\$40,400,000.00 for 2022-2023 and \$40,400,000.00 for 2023-2024~~ **2024-2025** for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds.

(h) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and \$14,000,000.00 for 2023-2024~~ **2024-2025** to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) An amount estimated at ~~\$35,000,000.00 for 2022-2023 and \$35,000,000.00 for 2023-2024~~ **2024-2025** to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(j) An amount estimated at ~~\$3,100,000.00 for 2022-2023 and \$3,100,000.00 for 2023-2024~~ **2024-2025** for literacy programs that advance literacy skills for students from birth through grade 12, including, but not limited to, English-proficient students and students with disabilities, funded from DED-OESE, striving readers comprehensive literacy program.

~~(k) An amount estimated at \$27,900,000.00 for 2022-2023 only to establish safer and healthier learning environments, and to prevent and respond to acts of bullying, violence, and hate that impact school communities at individual and systemic levels, funded from DED-OESE, stronger connections grant program.~~

~~(k) (l) An amount estimated at \$1,000,000.00 for 2022-2023 and an amount estimated at \$1,000,000.00 for 2023-2024~~ **2024-2025** for grants to support and demonstrate innovative partnerships to train school-based mental health service providers, funded from DED-OESE, mental health service professional demonstration grant program.

(2) From the federal funds appropriated in section 11, there is allocated to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$60,500,000.00 for 2022-2023 and estimated at \$60,500,000.00 for 2023-2024~~ **2024-2025** for the following programs that are funded by federal grants:

(a) An amount estimated at ~~\$3,000,000.00 for 2022-2023 and \$3,000,000.00 for 2023-2024~~ **2024-2025** to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(b) An amount estimated at ~~\$24,000,000.00 for 2022-2023 and \$24,000,000.00 for 2023-2024~~ **2024-2025** for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(c) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and \$14,000,000.00 for 2023-2024~~ **2024-2025** for the Michigan charter school subgrant program, funded from DED-OII, public charter schools program funds.

(d) An amount estimated at ~~\$18,000,000.00 for 2022-2023 and \$18,000,000.00 for 2023-2024~~ **2024-2025** for the purpose of promoting and expanding high-quality preschool services, funded from HHS-OCC, preschool development funds.

(e) An amount estimated at ~~\$1,500,000.00 for 2022-2023 and \$1,500,000.00 for 2023-2024~~ **2024-2025** for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

(3) The department, **or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential**, shall distribute all federal funds allocated under this section in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section 17b, the department **or the department of lifelong education, advancement, and potential, as applicable**, shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(4) For the purposes of applying for federal grants appropriated under this article, the department, **or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential**, shall allow an intermediate district to submit a consortium application on behalf of 2 or more districts with the agreement of those districts as appropriate according to federal rules and guidelines.

(5) For the purposes of funding federal title I grants under this article, in addition to any other federal grants for which the strict discipline academy is eligible, the department, **or, for subsections (1)(g) and (2)(d), the department of lifelong education, advancement, and potential**, shall allocate to a strict discipline academy out of title I, part A an amount equal to what the strict discipline academy would have received if included and calculated under title I, part D, or what it would receive under the formula allocation under title I, part A, whichever is greater.

(6) As used in this section:

(a) “DED” means the United States Department of Education.

(b) “DED-OESE” means the DED Office of Elementary and Secondary Education.

(c) “DED-OII” means the DED Office of Innovation and Improvement.

(d) “DED-OVAE” means the DED Office of Vocational and Adult Education.

(e) “HHS” means the United States Department of Health and Human Services.

(f) “HHS-OCC” means the HHS Office of Child Care.

(g) “HHS-SAMHSA” means the HHS Substance Abuse and Mental Health Services Project.

Sec. 41. (1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known as the “WIDA ACCESS for English language learners” or the “WIDA Alternate ACCESS”. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$39,766,500.00~~ **\$50,186,100.00** for 2023-2024 **2024-2025** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) ~~\$1,476.00~~ **\$1,863.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 75% of the target foundation allowance.

(b) ~~\$1,019.00~~ **\$1,286.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 50% of the target foundation allowance.

(c) ~~\$167.00~~ **\$210.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment. It is the intent of the legislature to increase this amount until it reaches 35% of the target foundation allowance.

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same percentage proration applied to all funding categories.

(4) By October 15 of the fiscal year following the receipt of funding under subsection (1), each district receiving funds under subsection (1) shall submit to the department a report, not to exceed 10 pages, on the usage by the district of funds under subsection (1) in a form and manner determined by the department, including a brief description of each program conducted or services performed by the district using funds under subsection (1) and the amount of funds under subsection (1) allocated to each of those programs or services. If a district does not comply with this subsection, the department shall withhold an amount equal to the December payment due under this section until the district complies with this subsection. If the district does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the state school aid fund.

(5) ~~In order to~~ To receive funds under subsection (1), a district must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in the audit.

(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K to 12 school aid appropriations.

(7) By not later than March 1, 2025, the department shall establish English language learner program models that establish a minimum number of minutes per week that districts must provide direct English language development instruction for students according to the student's proficiency levels. These models must be compliant with federal requirements related to English language learner program services. It is the intent of the legislature that, beginning in 2025-2026, to be considered an eligible recipient of funding under this section, a district must agree to meet or exceed the minimum number of minutes per week, as determined by the department, that the district provides direct English language development instruction.

Sec. 41b. From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~**2024-2025** only an amount not to exceed ~~\$1,500,000.00~~**\$1,000,000.00** for KEYS Grace Academy to, in partnership with Kalasho Education and Youth Services, provide English-as-a-second-language services, provide early childhood learning, improve progress toward high school graduation attainment, and provide K to 12 education-support services to legal immigrants.

Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated an amount not to exceed ~~\$1,593,296,100.00~~**\$1,822,546,100.00** for ~~2022-2023~~**2023-2024** and there is allocated an amount not to exceed ~~\$1,694,646,100.00~~**\$2,064,096,100.00** for ~~2023-2024~~**2024-2025** from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at \$390,000,000.00 for ~~2022-2023~~**2023-2024** and ~~\$390,000,000.00~~**\$450,000,000.00** for ~~2023-2024~~**2024-2025**, plus any carryover federal funds from previous year appropriations. In addition, from the state school aid fund money in section 11, there is allocated an amount not to exceed \$76,150,000.00 for 2023-2024 only to supplement the allocations in this section. The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$357,400,000.00~~**\$404,200,000.00** for ~~2022-2023~~**2023-2024** and estimated at ~~\$368,000,000.00~~**\$456,800,000.00** for ~~2023-2024~~**2024-2025**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. ~~Allocations under this subsection are made as follows:~~

~~(a) For 2022-2023, the department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil~~

membership, excluding pupils described in subsection (11), times 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.

(b) For 2022-2023, after the allocation under subdivision (a), the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.

(c) Beginning in 2023-2024, subdivisions (a) and (b) no longer apply.

(3) From the funds allocated under subsection (1), there is allocated for 2022-2023 an amount not to exceed \$1,000,000.00 and there is allocated for 2023-2024 an amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount allocated to a district or intermediate district for the fiscal year under subsection (2) is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. The department shall make adjustments for reductions in special education program operations or services in a manner determined by the department and shall include adjustments for program or service shifts.

(3) (4) If the department determines that the sum of the amounts ~~amount~~ allocated for a fiscal year to a district or intermediate district under subsection (2) is not sufficient ~~insufficient~~ to fulfill the specified percentages in subsection (2), the department shall pay the shortfall to the district or intermediate district during the fiscal year beginning on the October 1 following the determination, and shall adjust payments under subsection (3) as necessary. If the department determines that the sum of the amounts ~~amount~~ allocated for a fiscal year to a district or intermediate district under subsection (2) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), the department shall deduct the amount of the excess from the district's or intermediate district's payments under this article for the fiscal year beginning on the October 1 following the determination, and shall adjust payments under subsection (3) as necessary. For 2022-2023, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection.

(4) (5) State funds are allocated on a total approved cost basis. Federal funds are allocated under applicable federal requirements.

(5) (6) From the amount allocated in subsection (1), there is allocated an amount not to exceed ~~\$2,200,000.00~~ **\$3,200,000.00** for 2022-2023 ~~2023-2024~~ and there is allocated an amount not to exceed ~~\$2,200,000.00~~ **\$3,200,000.00** for 2023-2024 ~~2024-2025~~ to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings permitted in implementing the revised rules. The department shall determine net increase in necessary costs in a manner specified by the department.

(6) (7) For purposes of this section and sections 51b to 58, all of the following apply:

(a) "Total approved costs of special education" are determined in a manner specified by the department and may include indirect costs, but must not exceed 115% of approved direct costs for section 52 and section 53a programs. The total approved costs include salary and other compensation for all approved special education personnel for the program, including payments for Social Security and Medicare and public school employee retirement system contributions. The total approved costs do not include salaries or other compensation paid to administrative personnel who are not special education personnel as that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal funds included in the allocation made under this article, are not included. Special education approved personnel not utilized full time in the evaluation of students or in the delivery of special education programs, ancillary, and other related services are reimbursed under this section only for that portion of time actually spent providing these programs and services, with the exception of special education programs and services provided to youth placed in child caring institutions or juvenile detention programs approved by the department to provide an on-grounds education program.

(b) A district or intermediate district that employed special education support services staff to provide special education support services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of support services from another district or intermediate district shall report the cost of those support services for special education reimbursement purposes under this article. This subdivision does not prohibit the transfer of special education classroom teachers and special education classroom aides if the pupils counted in membership associated with those special education classroom teachers and special education classroom aides are transferred and counted in membership in the other district or intermediate district in conjunction with the transfer of those teachers and aides.

(c) If the department determines before bookclosing for a fiscal year that the amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate district whose reimbursement for that fiscal year would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and the department shall calculate reimbursement for that district or intermediate district in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the department shall prorate calculations and resulting reimbursement under this subdivision on an equal percentage basis. The amount of reimbursement under this subdivision for a fiscal year must not exceed \$2,000,000.00 for any district or intermediate district.

(b) (d) Reimbursement for ancillary and other related services, as that term is defined by R 340.1701c of the Michigan Administrative Code, is not provided when those services are covered by and available through private group health insurance carriers or federal reimbursed program sources unless the department and district or intermediate district agree otherwise and that agreement is approved by the state budget director. Expenses, other than the incidental expense of filing, must not be borne by the parent. In addition, the filing of claims must not delay the education of a pupil. A district or intermediate district is responsible for payment of a deductible amount and for an advance payment required until the time a claim is paid.

(c) (e) If an intermediate district purchases a special education pupil transportation service from a constituent district that was previously purchased from a private entity; if the purchase from the constituent district is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the intermediate district to the constituent does not result in any net change in the revenue the constituent district receives from payments under sections 22b and 51c, then upon application by the intermediate district, the department shall direct the intermediate district to continue to report the cost associated with the specific identified special education pupil transportation service and shall adjust the costs reported by the constituent district to remove the cost associated with that specific service.

(7) (8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan Schools for the Deaf and Blind is not included in the membership count of a district, but is counted in membership in the intermediate district of residence.

(8) (9) Special education personnel transferred from 1 district to another to implement the revised school code are entitled to the rights, benefits, and tenure to which the individual would otherwise be entitled had that individual been employed by the receiving district originally.

(9) (10) If a district or intermediate district uses money received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may require the district or intermediate district to refund the amount of money received. The department shall deposit money that is refunded in the state treasury to the credit of the state school aid fund.

(10) (11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at \$2,000,000.00-\$1,700,000.00 for 2022-2023-2023-2024 and estimated at \$2,000,000.00-\$1,700,000.00 for 2023-2024-, 2024-2025, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the current fiscal year and that district's per-pupil allocation under section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

(b) Pupils counted in membership in an intermediate district who are not special education pupils and are served by the intermediate district in a juvenile detention or child caring facility.

(c) Pupils with an emotional impairment counted in membership by an intermediate district and provided educational services by the department of health and human services.

(11) ~~(12)~~ If it is determined that funds allocated under subsection (2) or ~~(11)~~ **(10)** or under section 51c will not be expended, funds up to the amount necessary and available may be used to supplement the allocations under subsection (2) or ~~(11)~~ **(10)** or under section 51c ~~in order to~~ fully fund those allocations. After payments under subsections (2) and ~~(11)~~ **(10)** and section 51c, the department shall expend the remaining funds from the allocation in subsection (1) in the following order:

- (a) One hundred percent of the reimbursement required under section 53a.
- (b) One hundred percent of the reimbursement required under subsection ~~(6)~~ **(5)**.
- (c) One hundred percent of the payment required under section 54.
- ~~(d) One hundred percent of the payment required under subsection (3).~~
- (d)** ~~(e)~~ One hundred percent of the payments under section 56.

(12) ~~(13)~~ The allocations under subsections (2) ~~, (3), and (11)~~ **(10)** are allocations to intermediate districts only and are not allocations to districts, but instead are calculations used only to determine the state payments under section 22b.

(13) ~~(14)~~ If a public school academy that is not a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with a disability, as that term is defined under the individuals with disabilities education act, Public Law 108-446, the intermediate district in which the public school academy is located and the public school academy shall enter into a written agreement with the intermediate district in which the pupil resides for the purpose of providing the pupil with a free appropriate public education, and the written agreement must include at least an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. If the public school academy that enrolls the pupil does not enter into an agreement under this subsection, the public school academy shall not charge the pupil's resident intermediate district or the intermediate district in which the public school academy is located the added costs of special education programs and services for the pupil, and the public school academy is not eligible for any payouts based on the funding formula outlined in the resident or nonresident intermediate district's plan. If a pupil is not enrolled in a public school academy under this subsection, the provision of special education programs and services and the payment of the added costs of special education programs and services for a pupil described in this subsection are the responsibility of the district and intermediate district in which the pupil resides.

(14) ~~(15)~~ For the purpose of receiving its federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, directly receives the federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, from the intermediate district in which the cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

(15) ~~(16)~~ For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.

(16) ~~(17)~~ For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for 2022-2023 ~~2023-2024~~ and for 2023-2024, ~~2024-2025~~, the amount necessary, estimated at \$793,400,000.00 ~~\$903,300,000.00~~ for 2022-2023 ~~2023-2024~~ and \$820,000,000.00 ~~\$1,016,400,000.00~~ for 2023-2024, ~~2024-2025~~, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b to fully fund those allocations for the same fiscal year.

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for 2023-2024 all available federal funding, estimated at ~~\$71,000,000.00~~, **\$72,000,000.00**, and there is allocated for 2024-2025 all available federal funding, estimated at **\$83,000,000.00**, for special education programs and services that are funded by federal grants. The department shall distribute all federal funds allocated under this section in accordance with federal law. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the following amounts are allocated:

(a) For 2023-2024, an amount estimated at **\$15,000,000.00** and for 2024-2025, an amount estimated at **\$14,000,000.00** for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

(b) For 2023-2024, an amount estimated at **\$14,000,000.00** and for 2024-2025, an amount estimated at **\$14,000,000.00** for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

(c) For 2023-2024, an amount estimated at **\$43,000,000.00** and for 2024-2025, an amount estimated at **\$43,000,000.00**–**\$55,000,000.00** for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

(3) As used in this section, “DED-OSERS” means the United States Department of Education Office of Special Education and Rehabilitative Services.

Sec. 51e. (1) From the allocation under section 51a(1), there is allocated ~~for 2022-2023 the amount necessary, estimated at \$350,900,000.00~~ **\$499,900,000.00** for 2022-2023, ~~2023-2024 and \$499,600,000.00 for 2024-2025~~, for payments to districts and intermediate districts for 75% of foundation allowance costs associated with special education pupils, and there is allocated for 2023-2024 the amount necessary, estimated at ~~\$491,200,000.00~~ for 2023-2024, for payments to districts and intermediate districts for 100% of foundation allowance costs associated with special education pupils.

(2) For 2022-2023, the department shall calculate the amount allocated to a district under this section by multiplying the district’s special education pupil membership, excluding pupils described in section 51a(11), times 75% of the foundation allowance under section 20 of the pupil’s district of residence, plus 75% of the amount of the district’s per-pupil allocation under section 20m, not to exceed 75% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 75% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using 75% of the foundation allowance under section 20 of the pupil’s district of residence, not to exceed 75% of the target foundation allowance for the current fiscal year, and 75% of that district’s per-pupil allocation under section 20m.

(2) (3) Beginning in 2023-2024, ~~the~~ The department shall calculate the amount allocated to a district under this section by multiplying the district’s special education pupil membership, excluding pupils described in section 51a(11), times 100% of the foundation allowance under section 20 of the pupil’s district of residence, plus 100% of the amount of the district’s per-pupil allocation under section 20m, not to exceed 100% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 100% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using 100% of the foundation allowance under section 20 of the pupil’s district of residence, not to exceed 100% of the target foundation allowance for the current fiscal year, and 100% of that district’s per-pupil allocation under section 20m.

Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00 is allocated for 2023-2024-2024-2025 to an association for administrators of special education services to develop content for use by special education students, teachers, and others. Any content that is developed as described in this section must be accessible throughout this state. Funds received by an association under this section may be used to support the development of assessment tools to measure the needs of students with special education needs in remote learning environments and the effectiveness of various educational methods and tools, in collaboration with the department. Funds under this section may also be utilized to identify any available federal funds for research related to special education in remote learning.

Sec. 51h. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only **\$500,000.00** to Clinton County RESA to partner with an independent entity that has extensive experience in school finance, including the opportunity index, to conduct research, interviews, data collection, analysis, and financial modeling to develop an implementation framework that outlines the cost of fully providing special education services and supports to students with disabilities through the application of an equity-driven model.

(2) The study described in subsection (1) must include key areas of school finance related to the education costs of students with disabilities. The study must provide objective guidance to the legislature regarding both of the following:

(a) Modeling analysis of a weighted funding formula related to students with disabilities to determine accurate cost estimates to fully fund special education according to consensus-built weighted multipliers.

(b) Policy and implementation recommendations based on an equitable framework that considers the intersection with the opportunity index and that will improve how this state funds students with disabilities.

(3) Within 30 days after the completion of the study, the independent entity shall issue a report with its findings to the department, the house and senate fiscal agencies, the state budget director, the senate appropriations subcommittee on pre-K to 12, the house appropriations subcommittee on school aid and education, and the house and senate standing committees responsible for education legislation.

(4) Within 60 days after the completion of the study, the independent entity shall make its findings available on a publicly available website.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's foundation allowance calculated under section 20 and minus the district's per-pupil allocation under section 20m. For intermediate districts, the department shall calculate reimbursement for pupils described in subsection (2) in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance under section 20 for the current fiscal year plus the amount of the district's per-pupil allocation under section 20m.

(2) Reimbursement under subsection (1) is for the following special education pupils:

(a) Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.

(b) Pupils who are residents of institutions operated by the department of health and human services.

(c) Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupil's home.

(d) Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child care institution, if the child care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

(e) Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.

(3) Only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section.

(4) The costs of transportation are funded under this section and are not reimbursed under section 58.

(5) The department shall not allocate more than \$10,500,000.00 of the allocation for ~~2023-2024-2024-2025~~ in section 51a(1) under this section.

Sec. 54. Each intermediate district receives an amount per pupil for each pupil in attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to the total instructional cost at each school. The department shall not allocate more than \$1,688,000.00 of the allocation for ~~2023-2024-2024-2025~~ in section 51a(1) under this section.

Sec. 54b. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,600,000.00 for ~~2023-2024-2024-2025~~ to ~~continue~~ **expand** the implementation of the recommendations of the special education reform task force published in January 2016: **literacy and social, emotional, and behavioral components of a multi-tiered system of supports, including positive behavioral interventions and supports, using the MiMTSS Technical Assistance Center.**

(2) The department shall use funds allocated under this section for the purpose of ~~piloting~~ **expanding the statewide expertise, technical assistance, and implementation of the multi-tiered system of supports, dyslexia expertise, and evidence-based instructional practices grounded in the science of reading using the MiMTSS Technical Assistance Center, a nationally recognized program. that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in the**

~~MiMTSS Center, the department shall identify a number of intermediate districts to participate in the pilot that is sufficient to ensure that the MiMTSS Center can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.~~

(3) As used in this section, “**MiMTSS Technical Assistance Center**” means the Michigan Multi-Tiered System of Supports **Technical Assistance Center**.

Sec. 54d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$22,313,000.00~~ **\$23,670,700.00** for 2023-2024 ~~2024-2025~~ to intermediate districts for the purpose of providing state early on services programs for children from birth to 3 years of age with a developmental delay or a disability, or both, and their families, as described in the early on Michigan state plan, as approved by the department **of lifelong education, advancement, and potential**.

(2) To be eligible to receive grant funding under this section, each intermediate district must apply in a form and manner determined by the department **of lifelong education, advancement, and potential**.

(3) The grant funding allocated under this section must be used to increase early on services and resources available to children that demonstrate developmental delays to help prepare them for success as they enter school. State early on services include evaluating and providing early intervention services for eligible infants and toddlers and their families to address developmental delays, including those affecting physical, cognitive, communication, adaptive, social, or emotional development. Grant funds must not be used to supplant existing services that are currently being provided.

(4) The department **of lifelong education, advancement, and potential** shall distribute the funds allocated under subsection (1) to intermediate districts according to the ~~department's~~ **department of lifelong education, advancement, and potential's** early on funding formula utilized to distribute the federal award to Michigan under part C of the individuals with disabilities education act, Public Law 108-446. Funds received under this section must not supplant existing funds or resources allocated for early on early intervention services. An intermediate district receiving funds under this section shall maximize the capture of Medicaid funds to support early on early intervention services to the extent possible.

(5) Each intermediate district that receives funds under this section shall report data and other information to the department **of lifelong education, advancement, and potential** in a form, manner, and frequency prescribed by the department **of lifelong education, advancement, and potential** to allow for monitoring and evaluation of the program and to ensure that the children described in subsection (1) received appropriate levels and types of services delivered by qualified personnel, based on the individual needs of the children and their families.

(6) Notwithstanding section 17b, the department **of lifelong education, advancement, and potential** shall make payments under this section on a schedule determined by the department **of lifelong education, advancement, and potential**.

(7) Grant funds awarded and allocated to an intermediate district under this section must be expended by the grant recipient before June 30 of the fiscal year immediately following the fiscal year in which the funds were received.

Sec. 55. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2024-2025 only to Grand Valley State University to collaborate with the Conductive Learning Center. This funding must be used to support the operational costs of the conductive education model taught at the Conductive Learning Center to maximize the independence and mobility of children and adults with neuromotor disabilities. The conductive education model funded under this section must be based on the concept of neuroplasticity and the ability of people to learn and improve when they are motivated, regardless of the severity of their disability.

(2) Notwithstanding section 17b, the department shall distribute the funding allocated under this section to Grand Valley State University by not later than December 1, 2024.

Sec. 56. (1) For the purposes of this section:

(a) “Membership” means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership of the district is not included in the membership of the intermediate district.

(b) “Millage levied” means the millage levied for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service obligations.

(c) “Taxable value” means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not included in the taxable value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed \$40,008,100.00 for ~~2022-2023 and 2023-2024~~ **and \$40,008,100.00 for 2024-2025** to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts must submit for departmental approval and implement a distribution plan.

(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2021-2022 2022-2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~ membership pupil computed by subtracting from ~~\$229,600.00~~ **\$241,300.00** the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that amount the ~~2021-2022-2022-2023~~ local community stabilization share revenue for special education purposes and ~~2021-2022-2022-2023~~ tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2022-2023-2023-2024~~ for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2022-2023 2023-2024~~ is made in ~~2023-2024-2024-2025~~ at an amount per ~~2022-2023-2023-2024~~ membership pupil computed by subtracting from ~~\$238,800.00~~ **\$260,200.00** the ~~2022-2023-2023-2024~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2022-2023-2023-2024~~ millage levied, and then subtracting from that amount the ~~2022-2023-2023-2024~~ local community stabilization share revenue for special education purposes and ~~2022-2023-2023-2024~~ tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in ~~2023-2024-2024-2025~~ for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(5) The department shall ensure that the amount paid to a single intermediate district under subsection (2) does not exceed 62.9% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.

(7) From the allocation under section 51a(1), there is allocated an amount not to exceed \$34,200,000.00 for ~~2022-2023 and 2023-2024~~ **and 2024-2025** to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows:

(a) For ~~2022-2023 and 2023-2024~~ **and 2024-2025**, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$251.00 and that is levying at least 46.2% but less than 60.0% of its

maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(b) For ~~2022-2023 and 2023-2024~~ **and 2024-2025**, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$296.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) After making allocations to eligible intermediate districts under subsections (3), (4), and (7), if funds remain unallocated from the allocations under subsections (2) and (7), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsections (3) and (4).

(9) As used in subsection (7):

(a) “3-year average membership” means the 3-year average pupil membership for each of the 3 most recent fiscal years.

(b) “3-year average special education millage revenue per pupil” means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$48,011,300.00~~ **\$39,899,800.00** for ~~2023-2024 only~~ **2024-2025** to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the target foundation allowance under that section, and secondary area vocational-technical education centers for secondary-level career and technical education programs according to rules approved by the superintendent. ~~It is the intent of the legislature that, for 2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this subsection will be \$37,611,300.00.~~ Applications for participation in the programs must be submitted in the form prescribed by the department. The department shall determine the added cost for each career and technical education program area. The department shall prioritize the allocation of added cost funds based on the capital and program expenditures needed to operate the career and technical education programs provided; the number of pupils enrolled; the advancement of pupils through the instructional program; the existence of an articulation agreement with at least 1 postsecondary institution that provides pupils with opportunities to earn postsecondary credit during the pupil’s participation in the career and technical education program and transfers those credits to the postsecondary institution upon completion of the career and technical education program; and the program rank in student placement, job openings, and wages, and shall ensure that the allocation does not exceed 75% of the added cost of any program. Notwithstanding any rule or department determination to the contrary, when determining a district’s allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and must be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, the department shall reimburse districts and intermediate districts for local career and technical education administration, shared time career and technical education administration, and career education planning district career and technical education administration. The superintendent shall adopt guidelines for the definition of what constitutes administration and shall make reimbursement pursuant to those guidelines. The department shall not distribute more than \$800,000.00 of the allocation in subsection (1) under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

Sec. 61b. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2023-2024-2024-2025 an amount not to exceed \$8,000,000.00 for CTE early middle college and CTE dual enrollment programs authorized under this section and for planning grants for the development or expansion of CTE early middle college programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials, and to increase the number of students who are college and career ready upon high school graduation.

(2) From the funds allocated under subsection (1), the department shall allocate an amount as determined under this subsection to each intermediate district serving as a fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early middle college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE early middle college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

- (i) An associate degree.
- (ii) 60 transferable college credits.
- (iii) Professional certification.
- (iv) A Michigan Early Middle College Association certificate.
- (v) Participation in a registered apprenticeship.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the workforce development board service delivery area ranked by 10-year projections of annual job openings and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage and annual job openings. The career and educational advisory council located in the workforce development board service delivery area shall review the rankings and modify them if necessary to accurately reflect employer demand for talent in the workforce development board service delivery area. A career and educational advisory council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings must be determined and updated once every 4 years.

(b) An identification of educational entities in the workforce development board service delivery area that will provide eligible CTE early middle college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE early middle college and CTE dual enrollment programs in the workforce development board service delivery area.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 16 workforce development board service delivery area strategic plans jointly approved by the department of labor and economic opportunity and the department.

(b) Has a coherent sequence of courses in a specific career cluster that will allow a student to earn a high school diploma and achieve at least 1 of the following:

(i) For CTE early middle college, outcomes as defined in subsection (3)(f).

(ii) For CTE dual enrollment, 1 of the following:

(A) An associate degree.

(B) An industry-recognized technical certification approved by the department of labor and economic opportunity.

(C) Up to 60 transferable college credits.

(D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.

(c) Is aligned with the Michigan merit curriculum.

(d) Has an articulation or a college credit agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college faculty, or are courses taught in combination with online instruction.

(6) The department shall distribute funds to eligible CTE early middle college and CTE dual enrollment programs as follows:

(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by calculating statewide average costs for each CIP code program for the 3 most recent fiscal years.

(b) The distribution to each eligible CTE early middle college or CTE dual enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment of each eligible CTE early middle college or CTE dual enrollment program in the immediately preceding school year.

(7) ~~In order to~~ To receive funds under this section, a CTE early middle college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (2), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

(8) There is allocated for ~~2023-2024~~ **2024-2025** from the funds under subsection (1) an amount not to exceed \$500,000.00 from the state school aid fund allocation for grants to intermediate districts or consortia of intermediate districts for the purpose of planning for new or expanded early middle college programs. Applications for grants must be submitted in a form and manner determined by the department. The amount of a grant under this subsection must not exceed \$50,000.00. To be eligible for a grant under this subsection, an intermediate district or consortia of intermediate districts must provide matching funds equal to the grant received under this subsection. Notwithstanding section 17b, the department shall make payments under this subsection in the manner determined by the department.

(9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances. A program receiving funding under section 61a may receive funding under this section for allowable costs that exceed the reimbursement the program received under section 61a. The combined payments received by a program under section 61a and this section must not exceed the total allowable costs of the program. A program provider shall not use more than 5% of the funds allocated under this section to the program for administrative costs.

(10) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

(11) If pupils enrolled in a career cluster in an eligible CTE early middle college or CTE dual enrollment program qualify to be reimbursed under this section, those pupils continue to qualify for reimbursement until graduation, even if the career cluster is no longer identified as being in the highest 5 career cluster rankings.

(12) As used in this section:

(a) "Allowable costs" means those costs directly attributable to the program as jointly determined by the department of labor and economic opportunity and the department.

(b) “Career and educational advisory council” means an advisory council to the local workforce development boards located in a workforce development board service delivery area consisting of educational, employer, labor, and parent representatives.

(c) “CIP” means classification of instructional programs.

(d) “CTE” means career and technical education programs.

(e) “CTE dual enrollment program” means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) “Early middle college program” means a 5-year high school program.

(g) “Eligible postsecondary educational institution” means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$5,000,000.00~~ **\$5,304,300.00** from the state school aid fund for additional payments to districts for career and technical education programs for the purpose of increasing the number of Michigan residents with high-quality degrees or credentials, and to increase the number of pupils who are college- and career-ready upon high school graduation.

(2) The department shall calculate payments to districts under this section in the following manner:

(a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.

(b) An additional payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program that provides instruction in critical skills and high-demand career fields.

(3) If the allocation under subsection (1) is insufficient to fully fund payments under subsection (2), the department shall prorate payments under this section on an equal per-pupil basis.

(4) As used in this section:

(a) “Career and technical education program” means a state-approved career and technical education program, as determined by the department.

(b) “Career and technical education program that provides instruction in critical skills and high-demand career field” means a career and technical education program classified under any of the following 2-digit classification of instructional programs (CIP) codes:

(i) 01, which refers to “agriculture, agriculture operations, and related sciences”.

(ii) 03, which refers to “natural resources and conservation”.

(iii) 10 through 11, which refers to “communications technologies/technicians and support services” and “computer and information sciences and support services”.

(iv) 14 through 15, which refers to “engineering” and “engineering technologies and engineering-related fields”.

(v) 26, which refers to “biological and biomedical sciences”.

(vi) 46 through 48, which refers to “construction trades”, “mechanic and repair technologies/technicians”, and “precision production”.

(vii) 51, which refers to “health professions and related programs”.

Sec. 61j. (1) From the state school aid fund money appropriated in section 11, \$10,700,000.00 is allocated for 2023-2024 only to Huron School District to support the Downriver Career and Technical Education Consortium.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(3) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2027. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2027.

Sec. 62. (1) For the purposes of this section:

(a) “Membership” means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district or the total membership of the area vocational-technical program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership of that district are not included in the membership of the intermediate district. However, the membership of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the membership of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(b) “Millage levied” means the millage levied for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund requirements of area vocational-technical education.

(c) “Taxable value” means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the taxable value of that district is not included in the taxable value of the intermediate district. However, the taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the taxable value of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(2) From the **appropriation-state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed \$9,190,000.00 each fiscal year for ~~2022-2023 and for 2023-2024~~ **and 2024-2025** to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by those millages.

(3) Reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~ **\$251,400.00** the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that amount the ~~2021-2022-2022-2023~~ local community stabilization share revenue for area vocational technical education and ~~2021-2022-2022-2023~~ tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(4) Reimbursement for those millages levied in ~~2022-2023-2023-2024~~ is made in ~~2023-2024-2024-2025~~ at an amount per ~~2022-2023-2023-2024~~ membership pupil computed by subtracting from ~~\$248,800.00~~ **\$269,800.00** the ~~2022-2023-2023-2024~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2022-2023-2023-2024~~ millage levied, and then subtracting from that amount the ~~2022-2023-2023-2024~~ local community stabilization share revenue for area vocational technical education and ~~2022-2023-2023-2024~~ tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(5) The department shall ensure that the amount paid to a single intermediate district under this section does not exceed 38.4% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under this section is not less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

Sec. 65. (1) From the appropriation under section 11, there is allocated an amount not to exceed \$900,000.00 for ~~2023-2024-2024-2025~~ for a pre-college engineering K to 12 educational program that is focused on the development of a diverse future Michigan workforce, that serves multiple communities within southeast Michigan, that enrolls pupils from multiple districts, and that received funds appropriated for this purpose in the appropriations act that provided the Michigan strategic fund budget for 2014-2015.

(2) To be eligible for funding under this section, a program must have the ability to expose pupils to, and motivate and prepare pupils for, science, technology, engineering, and mathematics careers and postsecondary education with special attention given to groups of pupils who are at-risk and underrepresented in technical professions and careers.

Sec. 67. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$5,000,000.00~~ **\$4,000,000.00** for 2023-2024-~~2024-2025~~ for college access programs. It is the intent of the legislature that, for 2024-2025, **2025-2026**, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be \$3,000,000.00. The programs funded under this section are intended to inform students of college and career options, ~~and to provide resources intended to increase the number of pupils who are adequately prepared with the information needed to make informed decisions on college and career,~~ **support adult learners, support college completion, and support workforce and employer engagement.** The funds appropriated under this section are intended to be used to increase the number of Michigan residents with high-quality degrees or credentials. Funds appropriated under this section must not be used to supplant funding for counselors already funded by districts.

(2) The department of ~~labor and economic opportunity~~ **lifelong education, advancement, and potential** shall administer funds allocated under this section in collaboration with the Michigan college access network. These funds may be used for any of the following purposes:

(a) Michigan college access network operations, programming, and services to local college access networks.

(b) Local college access networks, which are community-based college access/success partnerships committed to increasing the college participation and completion rates within geographically defined communities through a coordinated strategy.

(c) The Michigan college advising program, a program intended to place trained, recently graduated college advisors in high schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.

(d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college access network and the department of ~~labor and economic opportunity~~ **lifelong education, advancement, and potential.**

(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) For the purposes of this section, "college" means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 67a. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$50,000.00 for 2024-2025 only for a grant to be distributed by the department to an organization to provide industrial and technological education and workforce preparation for students and professional development opportunities and support for teachers.

(2) Notwithstanding section 17b, the department shall make grant payments under this section on a schedule determined by the department.

Sec. 67b. (1) From the general fund money appropriated under section 11, there is allocated \$1,000,000.00 for 2024-2025 only to the SME Education Foundation's Partnership Response Initiative. The SME Education Foundation's Partnership Response Initiative shall use the funding it receives under this section to provide high schools in this state with cost-effective and tailored engineering and manufacturing programs that provide equipment, curricula, professional development, scholarships, and STEM-focused curricular activities to students enrolled in, and teachers teaching in, the high schools of this state. The department may use \$200,000.00 of the funds under this section for administration.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 67d. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 an amount not to exceed \$1,000,000.00, through a grant program administered by the department, to an eligible state-approved 501(c)(3) organization to teach or train restaurant management, culinary arts or hospitality, and tourism management as part of career and professional development.

(2) As used in this section, “eligible state-approved 501(c)(3) organization” means an organization to which all of the following apply:

(a) It is exempt from taxation under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(b) It provides either the ProStart or Hospitality Tourism Management curriculum and training to state-approved career and technical education programs with classification of instructional programs (CIP) codes in the 12.05xx or 52.09xx.

(c) It administers national certification for the purposes of restaurant management, culinary arts or hospitality, or tourism management in becoming a hospitality and tourism specialist as part of career and professional development.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 67f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023–2024–2024–2025 only an amount not to exceed \$10,000,000.00 for the FAFSA completion challenge. Funds allocated under this section must be distributed to districts to improve FAFSA completion rates.

(2) To be eligible to receive funding under this section, each district must apply in a form and manner determined by the department. As part of the application, the district must demonstrate to the department that each high school from the applying district receiving funds under this section has a data use agreement on file with the department of treasury naming at least 1 data receiver designee to access student-level data regarding FAFSA completion of lifelong education, advancement, and potential. The department of lifelong education, advancement, and potential shall make the application available by not later than November 1, 2024. A district shall apply for funding to the department of lifelong education, advancement, and potential by not later than December 1, 2024. In the application, the department of lifelong education, advancement, and potential shall only require a district to certify that it will do both of the following:

(a) Except as otherwise provided in subsection (3), require all students to complete the FAFSA to graduate from high school.

(b) Use funds received under this section for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the department of lifelong education, advancement, and potential, in collaboration with the Michigan College Access Network.

(3) A district shall exempt a student from the requirement to complete the FAFSA if any of the following are met:

(a) The student’s parent or legal guardian, or the student if the student is 18 years of age or older, is an emancipated minor, or is an unaccompanied youth, has submitted a parental waiver to the district exempting the student from completing the FAFSA. The parental waiver described in this subdivision must be obtained through a standard form developed by the department of lifelong education, advancement, and potential.

(b) The student is unable to complete the FAFSA because of privacy concerns.

(c) All of the following are met:

(i) After a good-faith effort, the student’s parent or legal guardian refuses to sign the parental waiver, is unresponsive, or cannot sign the parental waiver.

(ii) The student is unable to complete the FAFSA as an independent student.

(iii) The student agrees to opt out of completing the FAFSA.

(iv) Other than the requirements in subsection (2), the student is on track to graduate.

(v) A school administrator of the student’s high school demonstrates to the board that good-faith efforts have been made to assist the student or the student’s parent or legal guardian in completing the FAFSA or obtaining a parental waiver.

(vi) The board ensures compliance with 42 USC 11432(g)(6)(A).

(4) (3) No By not later than November 30, 2023, January 31, 2025, the department must of lifelong education, advancement, and potential shall pay each eligible district an equal amount not to exceed \$50.00 per pupil multiplied by the number of students-pupils enrolled and attending grade 12 in the district. The receiving district must use funds received under this subsection for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the department, in collaboration with the Michigan college access network.

(4) No later than September 30, 2024, the department must pay each eligible district an amount not to exceed \$50.00 multiplied by the number of students enrolled and attending grade 12 in the district who submitted a FAFSA prior to June 30, 2024. Funds received under this subsection may be used for discretionary purposes, as determined by the districts, though districts are encouraged to use funds received under this subsection to continue work to improve FAFSA completion rates.

~~(5) The department must collaborate with the department of treasury to verify eligible FAFSA completion counts for the purposes of calculating payments under subsection (4). By not later than July 15, 2024, the department of treasury must provide the department FAFSA completion information necessary for calculating payments under this section.~~

~~(5) (6)-~~Notwithstanding section 17b, the department **of lifelong education, advancement, and potential** shall make payments under this section on a schedule determined by the department **of lifelong education, advancement, and potential**.

~~(6) (7)-~~As used in the section, “FAFSA” means the free application for federal student aid form.

Sec. 74. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$3,842,700.00 for 2023-2024 **and \$3,913,500.00 for 2024-2025** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for 2023-2024 **and 2024-2025** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for 2023-2024 **and 2024-2025** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed \$1,817,700.00 **for 2023-2024 and an amount not to exceed \$1,888,500.00 for 2023-2024-2024-2025** for reimbursement ~~to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district fiduciary shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.~~

Sec. 81. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024-2024-2025~~ to the intermediate districts the sum necessary, but not to exceed \$79,424,700.00 to provide state aid to intermediate districts under this section.

(2) The amount allocated under this section for ~~2023-2024-2024-2025~~ to each intermediate district is an amount equal to ~~105.0%-100%~~ of the amount allocated to the intermediate district under this section for ~~2022-2023-2023-2024~~. An intermediate district shall use funding provided under this section to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under this section shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate district or the annexation of all of the constituent K to 12 districts of a previously existing intermediate district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) ~~In order to~~ To receive funding under this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.

(c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.

(d) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.

(e) Comply with section 1230g of the revised school code, MCL 380.1230g.

Sec. 94. (1) From the general fund money appropriated in section 11, there is allocated to the department for ~~2023-2024~~ **2024-2025** an amount not to exceed \$1,200,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and to support the college-level examination program (CLEP).

(2) From the funds allocated under this section, the department shall award funds to cover all or part of the costs of advanced placement test fees or international baccalaureate test fees and international baccalaureate registration fees for low-income pupils who take an advanced placement or an international baccalaureate test and CLEP fees for low-income pupils who take a CLEP test.

(3) The department shall only award funds under this section if the department determines that all of the following criteria are met:

(a) Each pupil for whom payment is made meets eligibility requirements of the federal advanced placement test fee program under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95, as applicable.

(b) The tests are administered by the college board, the international baccalaureate organization, or another test provider approved by the department.

(c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each test for which payment is made.

(4) If funds remain after the awards granted in subsection (2), the department shall award funds to reimburse a portion of the costs associated with the provision of advanced placement (AP), international baccalaureate (IB), or college-level examination program (CLEP) exams for students whose family income exceeds low-income status as determined by the department.

(5) The department shall establish procedures for awarding funds under this section.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 94a. (1) There is created within the state budget office in the department of technology, management, and budget the center for educational performance and information. The center shall do all of the following:

(a) Coordinate the collection of all data required by state and federal law from districts, intermediate districts, and postsecondary institutions.

(b) Create, maintain, and enhance this state's P-20 longitudinal data system and ensure that it meets the requirements of subsection (4).

(c) Collect data in the most efficient manner possible to reduce the administrative burden on reporting entities, including, but not limited to, electronic transcript services.

(d) Create, maintain, and enhance this state's web-based educational portal to provide information to school leaders, teachers, researchers, and the public in compliance with all federal and state privacy laws. Data must include, but are not limited to, all of the following:

(i) Data sets that link teachers to student information, allowing districts to assess individual teacher impact on student performance and consider student growth factors in teacher and principal evaluation systems.

(ii) Data access or, if practical, data sets, provided for regional data hubs that, in combination with local data, can improve teaching and learning in the classroom.

(iii) Research-ready data sets for researchers to perform research that advances this state's educational performance.

(e) Provide data in a useful manner to allow state and local policymakers to make informed policy decisions.

(f) Provide public reports to the residents of this state to allow them to assess allocation of resources and the return on their investment in the education system of this state.

(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection

does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that prepared and recommended those teachers for state certification.

(e) Enables data to be easily generated for continuous improvement and decision-making, including timely reporting to parents, teachers, and school leaders on student achievement.

(f) Ensures the reasonable quality, validity, and reliability of data contained in the system.

(g) Provides this state with the ability to meet federal and state reporting requirements.

(h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following:

(i) Contains a unique statewide student identifier that does not permit a student to be individually identified by users of the system, except as allowed by federal and state law.

(ii) Contains student-level enrollment, demographic, and program participation information, including data associated with students who have been identified as having an affiliation to 1 or more federally recognized Indian tribes and student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404.

(iii) Contains student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete education programs.

(iv) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 only, meets all of the following:

(i) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.

(ii) Contains student-level transcript information, including information on courses completed and grades earned.

(iii) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$18,988,600.00~~ **\$19,219,200.00** for 2023-2024-~~2024~~-2025 to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for 2023-2024-~~2024~~-2025 the amount necessary, estimated at ~~\$4,193,500.00~~, **\$193,500.00**, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.

(6) From the funds allocated in subsection (5), the center may use an amount determined by the center for competitive grants for 2023-2024-~~2024~~-2025 to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants awarded under this subsection:

(a) The center shall award competitive grants to eligible intermediate districts or a consortium of intermediate districts based on criteria established by the center.

(b) Activities funded under the grant must support the P-20 longitudinal data system portal and may include portal hosting, hardware and software acquisition, maintenance, enhancements, user support and related materials, and professional learning tools and activities aimed at improving the utility of the P-20 longitudinal data system.

(c) An applicant that received a grant under this subsection for the immediately preceding fiscal year has priority for funding under this section. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary ~~in order to~~ fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section, “DED-OESE” means the United States Department of Education Office of Elementary and Secondary Education.

Sec. 94d. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2024-2025 only for the purposes of this section.

(2) Funds under this section must be used to create and support a task force that will develop a comprehensive multiyear plan to attract, prepare, and retain qualified personnel for children with disabilities. The task force described in this subsection shall provide all of the following:

(a) An identification of the barriers to attracting and training qualified personnel to work with children with disabilities.

(b) An analysis of current educator preparation processes, including the degree to which the preparation processes meet the needs of special education students and whether the preparation processes could be streamlined to increase the number of qualified personnel entering the field of special education.

(c) An analysis of attrition rates for qualified personnel leaving the field of special education and recommendations for ways that this state or districts could better retain talent.

(d) An analysis of this state’s licensing requirements and whether the licensing requirements could be streamlined to increase the number of qualified personnel entering the field of special education.

(e) Policy changes that should be enacted into law to address the barriers identified in this subsection, with specific changes to applicable state laws or applicable state rules.

(3) The task force described in subsection (2) must include representation from all special education stakeholder communities, including, but not limited to, teachers, school administrators, parents of special education students, students, educator preparation programs, the department, the legislative branch, the executive branch, the business community, and special education advocacy groups.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to support the task force described in subsection (2). The estimated completion date of the work project is September 30, 2027.

Sec. 94e. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2024-2025 only an amount not to exceed \$1,000,000.00 for support of the Michigan Education Research Institute.

(2) Funding allocated under this section must be distributed to the University of Michigan’s Michigan Education Data Center and Michigan State University’s Education Policy Innovation Center for the purpose of working collaboratively with the department, the department of lifelong education, advancement, and potential, and the center to build and maintain a research ready dataset, and to conduct research of critical importance to the state’s education goals.

(3) The Michigan Education Research Institute shall use funds received under this section for the purpose of expanding on research that includes, but is not limited to, all the following:

(a) Educator shortage.

(b) Early literacy initiative outcomes.

(c) Early childhood development programming outcomes.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 97a. From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$500,000.00** for 2023-2024-~~2024-2025~~ only for Michigan Virtual University to support Navigate 360. Funding may be used to support the MichiganCares, PBIS Rewards, and Intervention programs.

Sec. 97j. (1) From the ~~state school aid~~ **general** fund money appropriated in section 11, there is allocated ~~\$6,000,000.00~~ **\$250,000.00** for 2023-2024-~~2024-2025~~ only to **Raptor Technologies to provide** districts and intermediate districts ~~for the purchase and implementation of tools that provide a common way of identifying and collecting early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools. The tools described in this section must be used to inform any behavioral threat assessment and threat assessment teams. As used in this section, "early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools" includes, but is not limited to, any of the following behaviors:~~

- (a) Changes in attendance.
- (b) Changes in academic performance.
- (c) Changes in emotional response.
- (d) Withdrawal.
- (e) The beginning signs of self-harm.
- (f) Problematic peer interaction.
- (g) Discipline concerns that could result in any of the following outcomes:
- (i) Specific interventions, including mental health or behavioral supports.
- (ii) Academic support.
- (iii) Parent or legal guardian conferences.
- (iv) Discipline referrals.
- (v) Other restorative practices.

~~(2) To receive funding under this section, a district or intermediate district must apply in a form and manner prescribed by the department.~~

~~(3) If funding under this section is insufficient to fulfill all funding requests by districts or intermediate districts under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants.~~

~~(2) (4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.~~

Sec. 97k. (1) From the state school aid fund money appropriated in section 11, there is allocated \$100,000.00 for 2023-2024-~~2024-2025~~ only to Washtenaw Intermediate School District to utilize on the Student Advocacy Center of Michigan to support its statewide helpline for families in educational crisis.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 97m. (1) **From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$1,000,000.00 for 42 Strong to continue 42 Strong's work at implementing a peer mentoring program designed to drive outcomes that include, but are not limited to, increasing student connectedness to families, peers, the school, and community; improving student self-esteem; and improving overall student well-being.**

(2) 42 Strong must utilize funding under this section to expand implementation of its peer mentoring program within its current school system and may also utilize the funding to expand to communities in other school districts.

(3) Notwithstanding section 17b, the department shall make payments under this section by December 1, 2024.

(4) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2028. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2028.

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$9,300,000.00~~ **\$9,800,000.00** for 2023-2024-~~2024-2025~~ for the purposes described in this section. It is the intent of the legislature that, for ~~2024-2025, 2025-2026~~, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be \$8,000,000.00. The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each fiscal year for which funding is allocated under this section that includes its mission, its plans, and proposed benchmarks it must meet, including a plan to achieve the organizational priorities identified in this section, ~~in order to receive full funding for the next fiscal year for which funding is allocated under this section. Not By not~~ later than March 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall provide an update to the house and senate appropriations subcommittees on school aid to show the progress being made to meet the benchmarks identified.

(2) The Michigan Virtual University shall operate the Michigan Virtual Learning Research Institute. The Michigan Virtual Learning Research Institute shall do all of the following:

(a) Support and accelerate innovation in education through the following activities:

(i) Test, evaluate, and recommend as appropriate new technology-based instructional tools and resources.

(ii) Research, design, and recommend virtual education delivery models for use by pupils and teachers that include age-appropriate multimedia instructional content.

(iii) Research, develop, and recommend annually to the department criteria by which cyber schools and virtual course providers should be monitored and evaluated to ensure a quality education for their pupils.

(iv) Based on pupil completion and performance data reported to the department or the center from cyber schools and other virtual course providers operating in this state, analyze the effectiveness of virtual learning delivery models in preparing pupils to be college- and career-ready and publish a report that highlights enrollment totals, completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research Institute shall submit the report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, the department, districts, and intermediate districts **by** not later than March 31 of each fiscal year for which funding is allocated under this section.

(v) Provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual learning into curricula and instruction. The Michigan Virtual Learning Research Institute is encouraged to work with the MiSTEM council described in section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate with the department for professional development in this state, including professional development for employees in child care facilities, early childhood facilities, and after-school programs. ~~Not~~**By not** later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department on the number of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report must also include both of the following:

(A) The identification of barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(B) A link to, and explanation of, the Michigan Virtual University's online course standards for professional development programming. The standards described in this sub-subparagraph must inform learners how to file a complaint about course content and detail the steps that will be taken for the review and resolution of complaints.

(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(ii) Provide a clearinghouse for research reports, academic studies, evaluations, and other information related to virtual learning.

(iii) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(iv) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(v) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(vi) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(vii) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify barriers and opportunities related to virtual learning.

(viii) Produce an annual consumer awareness report for schools and parents about effective virtual education providers and education delivery models, performance data, cost structures, and research trends.

(ix) Provide an internet-based platform that educators can use to create student-centric learning tools and resources for sharing in the state's open educational resource repository and facilitate a user network that assists educators in using the content creation platform and state repository for open educational resources. As part of this initiative, the Michigan Virtual University shall work collaboratively with districts and intermediate districts to establish a plan to make available virtual resources that align to Michigan's K to 12 curriculum standards for use by students, educators, and parents.

(x) Create and maintain a public statewide catalog of virtual learning courses being offered by all public schools and community colleges in this state. The Michigan Virtual Learning Research Institute shall identify and develop a list of nationally recognized best practices for virtual learning and use this list to support reviews of virtual course vendors, courses, and instructional practices. The Michigan Virtual Learning Research Institute shall also provide a mechanism for intermediate districts to use the identified best practices to review content offered by constituent districts. The Michigan Virtual Learning Research Institute shall review the virtual course offerings of the Michigan Virtual University, and make the results from these reviews available to the public as part of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure that the statewide catalog is made available to the public on the Michigan Virtual University website and shall allow the ability to link it to each district's website as provided for in section 21f. The statewide catalog must also contain all of the following:

(A) The number of enrollments in each virtual course in the immediately preceding school year.

(B) The number of enrollments that earned 60% or more of the total course points for each virtual course in the immediately preceding school year.

(C) The pass rate for each virtual course.

(xi) Support registration, payment services, and transcript functionality for the statewide catalog and train key stakeholders on how to use new features.

(xii) Collaborate with key stakeholders to examine district level accountability and teacher effectiveness issues related to virtual learning under section 21f and make findings and recommendations publicly available.

(xiii) Provide a report on the activities of the Michigan Virtual Learning Research Institute.

(3) To further enhance its expertise and leadership in virtual learning, the Michigan Virtual University shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing virtual and blended learning solutions for Michigan schools in accordance with the following parameters:

(a) The Michigan Virtual School must maintain its accreditation status from recognized national and international accrediting entities.

(b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the amount allocated under this section to subsidize the cost paid by districts for virtual courses.

(c) In providing educators responsible for the teaching of virtual courses as provided for in this section, the Michigan Virtual School shall follow the requirements to request and assess, and the department of state police shall provide, a criminal history check and criminal records check under sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a school district under those sections.

(4) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to \$500,000.00 to support the expansion of new online and blended educator professional development programs.

(5) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to \$500,000.00 to operate a comprehensive statewide laboratory designed to function as a hub for cutting-edge research, the identification and dissemination of best practices, rigorous experimentation, policy formulation, and proactive efforts to enhance awareness about the responsible utilization of artificial intelligence in schools.

(6) (5)—If the course offerings are included in the statewide catalog of virtual courses under subsection (2)(b)(x), the Michigan Virtual School operated by the Michigan Virtual University may offer virtual course offerings, including, but not limited to, all of the following:

(a) Information technology courses.

(b) College level equivalent courses, as that term is defined in section 1471 of the revised school code, MCL 380.1471.

(c) Courses and dual enrollment opportunities.

(d) Programs and services for at-risk pupils.

(e) High school equivalency test preparation courses for adjudicated youth.

(f) Special interest courses.

(g) Professional development programs for teachers, school administrators, other school employees, and school board members.

(7) (6)—If a home-schooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan Virtual School, the student may use the services provided by the Michigan Virtual School to the district without charge to the student beyond what is charged to a district pupil using the same services.

(8) ~~(7)~~ Not By not later than December 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department that includes at least all of the following information related to the Michigan Virtual School for the preceding fiscal year:

- (a) A list of the districts served by the Michigan Virtual School.
- (b) A list of virtual course titles available to districts.
- (c) The total number of virtual course enrollments and information on registrations and completions by course.
- (d) The overall course completion rate percentage.

(9) ~~(8)~~ In addition to the information listed in subsection **(7), ~~(8)~~**, the report under subsection **(7), ~~(8)~~** must also include a plan to serve at least 600 schools with courses from the Michigan Virtual School or with content available through the internet-based platform identified in subsection (2)(b)(ix).

(10) ~~(9)~~ The governor may appoint an advisory group for the Michigan Virtual Learning Research Institute established under subsection (2). The members of the advisory group serve at the pleasure of the governor and without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of residents of this state with high-quality degrees and credentials to at least 60% by 2025.

(11) ~~(10)~~ Not By not later than November 1 of each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. **Not By not** later than March 1 each fiscal year for which funding is allocated under this section, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a breakdown on its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

(12) ~~(11)~~ As used in this section:

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

(c) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment in which the majority of the curriculum is delivered using the internet and in which pupils are separated from their instructor or teacher of record by time or location, or both.

Sec. 98d. (1) From the state school aid fund money appropriated under section 11, there is allocated for ~~2023-2024-2024-2025~~ only an amount not to exceed ~~\$5,000,000.00~~ **\$3,000,000.00** to Northern Michigan University to support the MLC as described in this section. Northern Michigan University shall not retain any portion of the funding received under this section for administrative purposes and shall provide funding to support the MLC. All of the following apply to the MLC:

(a) The MLC must expand literacy programming over the air, online, and in communities that is aligned with this state's pre-K to 12 educational standards.

(b) The MLC shall provide over the air broadcasts 24 hours each day for 7 days each week of quality instructional content that is aligned with this state's pre-K to 12 educational standards. Over-the-air broadcasts as described in this subdivision must be streamed live and must be archived for on-demand viewing on a companion website, along with additional learning materials relevant to lessons.

(c) The MLC must be managed and operated by DPTV, and DPTV shall assume all risk, liability, and responsibility for the MLC in accordance with regulations by the United States Federal Communications Commission, PBS broadcast standards, and standard nonprofit business standards. DPTV shall serve as the fiduciary agent and service manager for the MLC. The MLC shall originate from a central operations center that is responsible for providing the infrastructure, content, and engagement of the MLC in partnership with this state's educational leadership organizations.

(d) The MLC shall require that DPTV provide technology, funding, staff training, and central management of the MLC to station partners to insert additional channels into each station's broadcast streams and to support staffing and engagement as outlined in a memorandum of understanding among the stations.

(e) The MLC shall require that DPTV partner with at least 5 other Michigan public television stations, including, but not limited to, WKAR, WGUV, WDCQ, WCMU, and WNMU, to deliver the over-the-air MLC broadcasts described in this section and to support engagement with local educators. Stations described in this subdivision must be able to use the infrastructure provided by the MLC to develop their own local content that best serves their communities.

(f) The MLC shall not use the funds received from Northern Michigan University under this section in support of the MLC for any purposes fully funded by the governor's emergency education relief fund grant.

(2) ~~Not~~ **By not** later than February 1, 2024-2025, the MLC shall provide a report to the house and senate appropriations subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director detailing the MLC's compliance with ensuring that conditions listed under subsection (1) were met.

(3) Notwithstanding section 17b, the department shall make payments under this section **by** not later than December 1, 2023-2024.

(4) As used in this section:

(a) "DPTV" means Detroit Public Television.

(b) "MLC" means the Michigan Learning Channel.

Sec. 99. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2023-2024 only to Kentwood Public Schools and Oak Park Schools for a plant-based school meals pilot grant program. Grants shall be used for developing and implementing plant-based meal options in school cafeterias, training school food service staff in the preparation of plant-based meals, and purchasing necessary kitchen equipment to facilitate the preparation of plant-based meals. Recipients of grants under this program shall submit a report to the department detailing the use of funds and the impact of the program on student meal choices and environmental sustainability.

(2) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2024-2025 only for a virtual reality youth peace literacy initiative pilot program.

(3) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,000,000.00 for 2024-2025 only to the American Lightweight Materials Manufacturing Innovation Institute, in partnership with the Michigan Manufacturers Association, Amatrol, and the ATS LAB Midwest. Funds received under this subsection must be used to provide high schools and intermediate districts in this state with competency-based, technology infused talent development programs that provide curricula, e-learning, hands-on e-learning systems, curricula-specific training equipment, installation, orientation, teacher training, industry-recognized skill certifications, and connections to local manufacturers for students in high schools and intermediate districts in this state.

(4) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$2,500,000.00 for 2024-2025 only to the Dearborn City School District for costs to expand the career and technical education program for the district, including, but not limited to, expansion of a cybersecurity certificate program. Costs in this subsection may include both operational and capital costs.

(5) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,500,000.00 for 2024-2025 only to the Dearborn City School District to support the construction of outdoor classrooms and other green space for Salina Intermediate School in the Dearborn City School District.

(6) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$2,000,000.00 for 2024-2025 only to the School District of the City of Harper Woods to support the costs for construction and operation of the daily life skills training center, an educational and skills development program with individualized training to improve a child's abilities to independently perform routine daily activities and effectively use community resources.

(7) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$2,500,000.00 for 2024-2025 only to the Lansing Public School District for development and infrastructure improvements.

(8) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$700,000.00 to Clintondale Community Schools for safety and security upgrades.

(9) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$500,000.00 to Algonac Community School District to support asbestos remediation and redevelopment.

(10) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$700,000.00 to South Lyon Community Schools for student mental health services.

(11) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$200,000.00 to Farmington Public School District for high-intensity tutoring.

(12) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$2,100,000.00 to the Marygrove Conservancy for the creation of the Marygrove Film School.

(13) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$3,900,000.00, and from the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$2,100,000.00 to Rudyard Area Schools for infrastructure.

(14) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$250,000.00 to Brookview Montessori School for structural updates, including, but not limited to, electrical and HVAC.

(15) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$100,000.00 for Okemos Public Montessori at Central for district lead abatement.

(16) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$500,000.00 to Wellspring Detroit to support the academic and youth development program.

(17) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$500,000.00 to a district or intermediate district to support the implementation of the MI Student Voice Perception Survey.

(18) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$3,700,000.00 to the recipients identified in this subsection to support capital costs to increase safety of student pedestrians.

(a) A recipient of a grant under this subsection shall use the funds to increase the safety of student pedestrians through capital improvements. A grant recipient may enter into agreements with other units of local government to complete eligible projects. Improvements may include, but are not limited to, all of the following:

- (i) Signage and painting for crosswalks.
- (ii) Installing or repairing sidewalks.
- (iii) Adding turning lanes.
- (iv) Installing or repairing traffic signal lights.

(b) From the allocation in this subsection, \$3,000,000.00 is allocated to Macomb Township in Macomb County for road, signal, and pedestrian crossing improvements at the intersection of 21 Mile Road and Heydenreich Road. The purpose of the improvements is to increase safety for student pedestrians at nearby schools.

(c) From the allocation in this subsection, \$250,000.00 is allocated to the Woodhaven-Brownstown School District to construct sidewalks to connect nearby residential areas to schools in the district.

(d) From the allocation in this subsection, \$450,000.00 is allocated to the Village of Brooklyn to partner with the Columbia Charter School District and Columbia Charter Township to improve student pedestrian safety.

(e) The funds allocated under this subsection for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to provide support for capital costs to increase safety of student pedestrians. The estimated completion date of the work project is September 30, 2029.

(19) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$7,000,000.00 to Detroit Public Schools Community District to offset the cost of relocating the Davis Aerospace Technical High School to the Coleman A. Young International Airport. Notwithstanding section 18a, funds allocated under this subsection may be available for expenditure until September 30, 2027. A recipient of funding under this subsection must return any unexpended funds to the department in a manner prescribed by the department by not later than October 30, 2027.

(20) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99b. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,000,000.00~~ **\$500,000.00** for 2023-2024-~~2024~~-2025 only to ~~a district~~ **districts** to develop and implement teacher professional development programs for computer science and computational thinking courses and content.

(2) Funding received under subsection (1) may be used only for the following purposes:

(a) High-quality professional learning for K to 12 computer science content. The costs associated with professional learning as described in this subdivision include, but are not limited to, travel to workshops. As used in this subdivision, “high-quality ~~profession~~ professional learning” means learning that is sustained, intensive, collaborative, job embedded, data driven, and classroom focused.

(b) Supports for K to 12 computer science professional learning, including, but not limited to, mentoring and coaching.

(c) Creation of resources to support implementation.

(d) Professional learning offerings that **do both of the following**:

(i) **Help teachers identify strategies to include to encourage course enrollment by underrepresented groups.**

(ii) **Connect to a curriculum that is free for educators and is aligned with the Michigan computer science standards.**

(e) Participation in the Strategic CSforALL Resource and Implementation Planning Tool (SCRIPT) process with a trained facilitator of this state.

(3) To be eligible to receive funding under this section, a district must apply for funding in a form and manner prescribed by the department. The application must, at a minimum, address how the district will do all of the following:

(a) Reach new and existing teachers with little to no computer science background.

(b) Use research- or evidence-based practices for high-quality professional development.

(c) Focus the professional learning on the mastery of all areas of computer science standards as approved by the state board of education in 2019.

(d) Reach and support marginalized racial and ethnic groups underrepresented in computer science, **including racial and ethnic minorities, girls, and youth from families living at or below the poverty line, as that term is defined in 20 USC 7801.**

(e) Provide teachers with concrete experience with hands-on, inquiry-based practices.

(f) Accommodate the particular teacher and student needs in each district and school.

(g) Ensure that participating districts shall begin offering the courses or content within the same or next school year after the teacher receives the professional learning.

(h) Commit to completing the SCRIPT process.

(4) Districts may contract with high-quality professional learning providers to offer the professional learning described in subsection (2). As used in this subsection, “high-quality professional learning providers” means institutions of higher education, nonprofits, or private entities that have successfully designed, implemented, and scaled high-quality computer science professional learning for teachers, as described in subsection (2)(a).

(5) The department shall prioritize districts as follows when granting funding under subsection (1):

(a) Districts in rural or urban areas with a higher proportion of students from groups historically underrepresented in computer science, including racial and ethnic minorities, girls, and youth from families living at or below the poverty line, as that term is defined in 20 USC 7801.

(b) Districts with limited or no computer science offerings that state in their application that the district plans to use the funding to expand in-person computer science offerings.

(6) (4)-The funds allocated under this section for 2023-2024-2024-2025 are a work project appropriation, and any unexpended funds for 2023-2024-2024-2025 are carried forward into 2024-2025-2025-2026. The purpose of the work project is to continue to support computer science education implementation. The estimated completion date of the work project is September 30, 2025-2026.

(7) (5)-A district that receives funding under this section shall submit a report to the department by June 30, 2024-2025. The report must include all of the following:

(a) The number of teachers prepared.

(b) Students reached, including the number and percentage of students reached disaggregated by gender, race, ethnicity, and socioeconomic status.

(c) The number and percentage of students with passing AP exam scores for high school AP courses, by gender, race, and ethnicity, once that data is available.

(d) The number of teachers that started implementing computer science compared to the number of prepared teachers that attended professional learning.

(e) The number of elementary students who are provided integrated computer science opportunities.

(f) Progress in building a systematic K to 12 computer science plan using the SCRIPT rubric.

(g) Any agreements to provide preassessments and postassessments of teacher readiness for teaching computational thinking and computer science and any data related to those assessments.

(h) The number of in-person computer science offerings that were provided, expanded, or added using funding received under this section.

(8) ~~(6)~~—The department shall make the report submitted under subsection ~~(5)~~-(7) available on a publicly accessible website.

Sec. 99c. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only \$1,000,000.00 to an eligible organization to expand the eligible organization's current programming. As used in this subsection, "eligible organization" means an organization to which all of the following apply:

(a) **It is tax exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.**

(b) **It was founded before 1997.**

(c) **It began operating in this state after 2009.**

(d) **It provides low-income schools with year-round support services and conducts professional development workshops for schools and youth organizations.**

(e) **It is located in a city with a population greater than 600,000.**

(2) **Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.**

Sec. 99g. (1) From the state school aid fund money appropriated in section 11, there is allocated \$1,000,000.00 for 2023-2024-2024-2025 only to districts for the purposes under this section.

(2) **The department shall award funding under this section to districts in urban, suburban, and rural areas in this state and shall award funding as follows:**

(a) **To at least 3 districts that are located in Wayne County that must include Detroit Public School Community District, 1 suburban district, and 1 rural district.**

(b) **To at least 1 district located in Eaton County.**

(c) **To at least 1 district located in Grand Traverse County.**

(d) **To at least 1 district located in Kent County.**

(e) **To at least 1 district located in Macomb County.**

(f) **To at least 1 district located in Marquette County.**

(g) **After the awards under subdivisions (a) to (f), to districts across this state to achieve a representative distribution of urban, suburban, and rural districts.**

(3) **A district that receives funding under this section shall use the funding to provide, upon request from eligible students, feminine hygiene products at no cost to eligible students enrolled in the district. From the funding allocated under this section, each eligible student must receive, at a minimum, 20 tampons or menstrual pads each month for the school year.**

(4) **As used in this section:**

(a) **"At-risk pupil" means that term as defined in section 31a.**

(b) **"Eligible student" means a student who is an at-risk pupil.**

Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$5,973,200.00~~ \$4,723,200.00 for 2023-2024-2024-2025 for competitive grants to districts and intermediate districts, and from the general fund money appropriated in section 11, there is allocated \$600,000.00 for 2023-2024-2024-2025 for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, **computer science, and technology skills by participating in ~~competitions~~ **robotics competition programs** hosted by a science and technology development program known as **program providers including, but not limited to, FIRST** (for inspiration and recognition of science and technology) **Robotics**, including FIRST Lego League - Discover, Explore, and Challenge, FIRST Tech challenge, and FIRST Robotics competition, ~~or other competitive robotics programs or equipment vendors, including VEX, Square One, and those hosted by the Robotics Education and Competition (REC) Foundation. It is the intent of the legislature that, for 2024-2025, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,723,200.00.~~ **LTU Robofest, MATE (Marine Advanced Technical Education), REC (Robotics Education Competition) Foundation, Square One Education Network, VEX, and other providers approved by the department. All approved providers shall make all programs available to students in this state regardless of geographical location.** Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, the department shall make grant payments to districts, nonpublic schools, and intermediate districts under this section on a schedule determined by the department. The department shall set maximum grant awards for each different level of programming and competition in a manner that both maximizes the number of teams that will be able to receive funds and expands the geographical distribution of teams. Districts and intermediate districts that receive funds under this section must provide relevant student participation information, as determined by the department, to program and competition providers described in this section. For a district or intermediate district to count a program competition provider for purposes of payments under this section, the program and competition providers must agree to aggregate data received by districts and intermediate districts and provide this information to the department in a form and manner determined by the department.**

(2) The department shall do all of the following for purposes of this section:

(a) Both of the following by not later than 60 days after the ~~K-12~~ **state school aid** appropriations bill for the current fiscal year is enacted into law or October 1 of the current fiscal year, whichever is later:

(i) Open applications for funding under this section to all districts, nonpublic schools, and intermediate districts.

(ii) Publish a list of approved programs and vendors for purposes of this section in a manner that is accessible to all applicants. To obtain approval under this subparagraph, a program or vendor must submit to the department registration information, including any fees; pledge that it will post this information on its website; and, by not later than January 1 of the current fiscal year, submit this information to the department for publication on the department's website.

(b) By not later than 60 days after applications are opened as described in subdivision (a), close applications under this section.

(c) By not later than 60 days after applications are closed as described in subdivision (b), make all determinations concerning funding under this section.

(d) By not later than July 1 of the current fiscal year, publish a document listing the requirements for becoming an approved program or vendor under subdivision (a).

(3) Except as otherwise provided under this subsection, if funding under this section is insufficient to fulfill all funding requests by qualified applicants under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants. However, for funding under this section toward grants under subsection (5)(b), in its proration under this subsection, the department shall ensure that each district is paid in an amount equal to the percentage the department would have paid the district in grant funding under subsection (5)(b), but for proration under this subsection, with no district receiving a grant under subsection (5)(b) in an amount that is greater than the district's total accrued costs under subsection (5)(b).

(4) A district, nonpublic school, or intermediate district applying for a grant under this section must submit an application in a form and manner prescribed by the department. To be eligible for a grant, a district, nonpublic school, or intermediate district must demonstrate in its application that the district, nonpublic school, or intermediate district has established a partnership for the purposes of the robotics program with at least 1 sponsor, business entity, higher education institution, or technical school, ~~shall or individual, must submit a spending plan, budget, and shall~~ **must** provide a local in-kind or cash match from other private or local funds of at least 25% of the cost of the robotics program award.

(5) The department shall distribute the grant funding under this section for the following purposes:

(a) Grants to districts, nonpublic schools, or intermediate districts to pay for stipends not to exceed \$1,500.00 per building for coaching.

(b) Grants to districts, nonpublic schools, or intermediate districts for event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at robotics events and competitions.

(c) Grants to districts, nonpublic schools, or intermediate districts for awards to teams that advance to the next levels of competition as determined by the department. The department shall determine an equal amount per team for those teams that advance.

(6) A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.

(7) To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.

(8) To be eligible to receive a grant under this section, a district, nonpublic school, or intermediate district must do all of the following:

(a) If the district, nonpublic school, or intermediate district is requesting funding for more than 1 team for a building, meet the minimum requirements for team size as determined by the approved program provider.

(b) Participate in at least the minimum number of competitions as determined by the approved program provider.

(c) Participate in at least 1 in-person competition.

(9) (8)-For purposes of this section, an approved program or vendor under this section that provides a program under this section shall not work with the department to set prices or policies for the program.

(10) (9)-As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.

Sec. 99i. (1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$250,000.00 to support the Michigan Council of Women in

Technology Foundation. The funds awarded under this section must be used to support the girls-exploring-together-information-technology clubs for middle and high school girls that provide structured hands-on learning activities through a comprehensive technology-focused curriculum.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99s. (1) From state school aid fund money appropriated under section 11, there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed \$7,634,300.00 for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM strategy. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments, to increase the number of pupils who are college- and career-ready upon high school graduation, and to promote certificate and degree attainment in STEM fields. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(2) The MiSTEM council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

(3) The MiSTEM council shall make specific funding recommendations for the funds allocated under subsection (4) by December 15 of each fiscal year. Each specific funding recommendation must be for a program approved by the MiSTEM council. All of the following apply:

(a) To be eligible for MiSTEM council approval as described in this subsection, a program must satisfy all of the following:

(i) Align with this state's academic standards.

(ii) Have STEMworks certification.

(iii) Provide project-based experiential learning, student programming, or educator professional learning experiences.

(iv) Focus predominantly on classroom-based STEM experiences or professional learning experiences.

(b) The MiSTEM council shall approve programs that represent all network regions and include a diverse array of options for students and educators and at least 1 program in each of the following areas:

(i) Robotics.

(ii) Computer science or coding.

(iii) Engineering or bioscience.

(c) The MiSTEM council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs and professional learning experiences for the programs on the list of approved programs.

(d) If the MiSTEM council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM council. Each grant must provide STEM education-related opportunities for pupils.

(e) The MiSTEM council shall work with the department of labor and economic opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

(4) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed \$3,050,000.00 for the purpose of funding programs under this section for ~~2023-2024~~**2024-2025** as recommended by the MiSTEM council.

(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed \$3,834,300.00 for ~~2023-2024~~**2024-2025** to support the activities and programs of the MiSTEM network regions. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region \$200,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.

(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.

(iii) Identify educator professional learning opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM council and the department of labor and economic opportunity.

(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.

(e) Work with districts to provide STEM programming and professional learning.

(f) Coordinate recurring discussions and work with the career and educational advisory council to ensure that feedback and best practices are being shared, including funding, program, professional learning opportunities, and regional strategic plans.

(7) From the state school aid fund money allocated under subsection (1), the department shall distribute for ~~2023-2024~~ **2024-2025** an amount not to exceed \$750,000.00, in a form and manner determined by the department, to those network regions able to further the statewide STEM strategy recommended by the MiSTEM council.

(8) ~~In order to~~ **To** receive state or federal funds under subsection (5) or (7), or to receive funds from private sources as authorized under subsection (1), a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(9) ~~In order to~~ **To** receive state funds under subsection (5) or (7), a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(10) ~~Not~~ **By not** later than July 1 of each fiscal year for which funding is allocated under this section, a MiSTEM network region that receives funds under subsection (5) shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures must be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes.

(11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.

(12) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "DED" means the United States Department of Education.

(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

(e) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$1,000,000.00** for ~~2023-2024~~ **2024-2025** only to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(d) Provides students statewide with online access to algebra help 24 hours a day and 7 days a week from study experts, teachers, and peers on a moderated social networking platform.

(e) Provides an online algebra professional development network for teachers.

(f) Is already provided under a statewide contract in at least 1 other state that has a population of at least 18,000,000 but not more than 19,000,000 according to the most recent decennial census and is offered in that state in partnership with a public university.

(2) The department shall purchase the online algebra tool that was chosen under this section in 2016-2017.

(3) A grantee receiving funding under this section shall comply with the requirements of section 19b.

Sec. 99x. (1) From the state school aid fund money appropriated under section 11, there is allocated ~~\$5,000,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** only to Kentwood Public Schools to support Teach For America's statewide TeachMichigan initiative. Funding under this section must be used to support operating costs associated with TeachMichigan, including teacher recruitment, retention, development, innovation, and evaluation costs. To be eligible for these funds, Kentwood Public Schools must determine that the TeachMichigan initiative is on track to reach at least ~~200~~ **300** educators working in at least 5 distinct regions across the ~~this state~~ **since its inception in 2022**, by the ~~start of the 2024-2025 school year~~ **not later than September 30, 2025**. Kentwood Public Schools must forward an amount equal to the amount awarded under this section to Teach For America, and is not responsible for monitoring, evaluating, or any other delivery or oversight of the TeachMichigan initiative.

(2) **For each fiscal year that Teach For America receives funding under this section, Teach For America must submit a report to the department on progress made using funding under this section.**

(3) **The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue the implementation of the TeachMichigan initiative described in this section. The estimated completion date of the work project is September 30, 2026.**

(4) ~~(2)~~ Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99aa. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$1,500,000.00~~ **\$1,000,000.00** for ~~2023-2024~~ **2024-2025** only to 1 eligible intermediate district to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment.

(2) An intermediate district that has partnered with Project SEARCH to provide the opportunities described in subsection (1) is an eligible intermediate district under this section.

(3) The funds allocated under this section for ~~2023-2024~~ **2024-2025** are a work project appropriation, and any unexpended funds for ~~2023-2024~~ **2024-2025** are carried forward into ~~2024-2025~~ **2025-2026**. The purpose of the work project is to provide for the continuation of opportunities for high school students with disabilities as described in subsection (1). The estimated completion date of the work project is September 30, ~~2025~~ **2026**.

Sec. 99ee. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$6,500,000.00~~ **\$2,000,000.00** for ~~2023-2024~~ **2024-2025** only to Wayne RESA for the provision of programming, in partnership with a nonprofit organization that is tax-exempt under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that provides academic and career support programs and services, to help more Hispanic students to graduate from college. A district that receives funds under this section ~~must~~ **shall** contract with a nonprofit organization for purposes of this section that received state funds for purposes described in this section in the immediately preceding fiscal year.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99ff. (1) From the state school aid fund money appropriated in section 11, there is allocated ~~\$5,000,000.00~~ **\$1,900,000.00** for ~~2023-2024~~ **2024-2025** only for Wayne RESA, in collaboration with Junior Achievement, to create curricula, educational programs, and professional development for each district, intermediate district, and the Michigan Schools for the Deaf and Blind to support the implementation of the personal finance high school graduation requirements under section 1278a of the revised school code, MCL 380.1278a.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99hh. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$3,000,000.00 for ~~2023-2024~~ **2024-2025** only for Wayne RESA to partner with a nonprofit entity to support student success coach AmeriCorps service members to provide academic interventions in mathematics and English language arts and social-emotional support to students enrolled in grades K to 12. ~~in a community district.~~

(2) A district that receives funding under this section must use the funds to deploy student success coach AmeriCorps service members to ~~at a minimum, 8~~ schools within the district. Student success coaches described in this subsection shall do all of the following:

(a) Provide small-group intervention support in mathematics and English language arts to at-risk students for 10 months. For purposes of this subdivision, students must be selected based on academic diagnostic data and be placed on a focus list for year-round support.

(b) Provide whole school, whole child support to partner schools in the district.

(c) Provide social-emotional support to a subset of focus-list students for 10 months. For purposes of this subdivision, students must be selected based on district behavior and climate or culture data and placed on a focus list for year-round support.

(d) Provide individualized attendance support to improve daily attendance rates for 10 months. For purposes of this subdivision, students must be selected based on district attendance data and placed on a focus list for year-round support.

(3) A district receiving funding under this section must provide all of the following for student success coaches:

(a) Evidence-based training in TRAILS, Mental Health First Aid, Magnetic Reading, LETRS, and other relevant training necessary to implement academic, social, and attendance strategies.

(b) Ongoing career development training and coaching, including support with applying to teacher preparation programs, school social work preparation programs, and guidance counseling preparation programs.

(4) By not later than January 1 of each fiscal year, the center shall prepare a summary report of information provided by each recipient district under this section that includes measurable outcomes based on the objectives described in this section and a summary of compiled data from each recipient district in order to evaluate the effectiveness of the project. The center shall submit the report to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99jj. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 only \$250,000.00 to Dearborn City School District in partnership with the Amity Foundation for the purposes under this section.

(2) Dearborn City School District shall establish a pilot grant program for K to 12 eligible students to attend driver's training programs.

(3) Dearborn City School District shall issue a report to the department, on an annual basis, that provides the number of students eligible for a grant under this section, how many students have attended and successfully completed a driver's training program described in this section, and the average cost, per student, of participation in a driver's training program described in this section.

(4) The department shall create a report that summarizes the success of the program established under subsection (2) and publish that report on its public website.

(5) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to support the pilot program described in this section for the provision of grants to students to attend driver's training programs. The estimated completion date of the work project is September 30, 2026.

(6) As used in this section, "eligible student" means a student to whom both of the following apply:

(a) The student qualifies for free and reduced lunch in the Dearborn City School District or in a contiguous district to the Dearborn City School District in alignment with federal law and regulations and state law.

(b) The student is enrolled in either of the following districts:

(i) Dearborn City School District.

(ii) A district contiguous to Dearborn City School District.

(7) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(8) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2026. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2026.

Sec. 104. (1) ~~In order to~~ **To** receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed \$37,509,400.00 for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount estimated at \$8,000,000.00 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the individuals with disabilities education act, 20 USC 1411 to 1419, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, must include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response. The department shall work with the center to identify the number of students enrolled at the time assessments are given by each district. In calculating the percentage of pupils assessed for a district's scorecard, the department shall use only the number of pupils enrolled in the district at the time the district administers the assessments and shall exclude pupils who enroll in the district after the district administers the assessments.

(3) The department shall distribute federal funds allocated under this section in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25.

(4) The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

(5) Notwithstanding section 17b, the department shall make payments on behalf of districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(6) From the allocation in subsection (1), there is allocated an amount not to exceed \$500,000.00 for ~~2023-2024-2024-2025~~ for the operation of an online reporting tool to provide student-level assessment data in a secure environment to educators, parents, and pupils immediately after assessments are scored. The department and the center shall ensure that any data collected by the online reporting tool do not provide individually identifiable student data to the federal government.

(7) As used in this section:

(a) “DED” means the United States Department of Education.

(b) “DED-OESE” means the DED Office of Elementary and Secondary Education.

(c) “DED-OSERS” means the DED Office of Special Education and Rehabilitative Services.

Sec. 104h. (1) From the state school aid fund money appropriated under section 11, there is allocated for ~~2021-2022-2024-2025~~ an amount not to exceed \$11,500,000.00 to districts to ~~begin implementation of a benchmark assessment system for~~ **implement benchmark assessments during the 2022-2023-2024-2025** school year. ~~It is the intent of the legislature that funding for benchmark assessments for the 2024-2025 school year will be appropriated in this section in 2024-2025. All of the following apply to the benchmark assessment system described in this subsection:~~

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the 2024-2025 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the 2024-2025 school year, the district shall administer the benchmark assessment or assessments administered under subparagraph (i) to all pupils in grades K to 8 to measure proficiency in reading and mathematics. To support fall to spring growth calculations, the same benchmark assessment that is administered in the fall must be administered in the spring.

(b) Except as otherwise provided in this section, a district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):

(i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

(ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

(c) The system must provide that, to the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (6), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.

(d) The system must provide that, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.

(e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district shall report to the department and the center, in a form and manner prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.

(f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under subdivision (a)(ii), or within a time frame specified by the department, the district shall send benchmark assessment data, including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed by the department, from all benchmark assessments administered in the 2024-2025 school year, excluding data from a local benchmark assessment, as applicable. If available, the data described in this subdivision must include information concerning pupil growth from fall 2024 to spring 2025.

(2) To receive funding under this section, a district must do all of the following:

(a) Apply for the funding in a form and manner prescribed by the department.

(b) ~~Pledge to administer~~ **Administer** 1 or more of the benchmark assessments described in subsection (6), excluding the benchmark assessment described in subsection (4).

(c) ~~Pledge to administer~~ **Administer** the same benchmark assessment or assessments in both the fall and spring, as required under this section.

(d) ~~Pledge to meet~~ **Meet** all reporting requirements pertaining to assessment and mode-of-instruction data outlined in this section.

(3) Subject to subsection (2), the department shall pay an equal amount per membership pupil in grades K to 8 in the district to each district that applies for funding under this section.

(4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (6) available to districts at no cost to the districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(5) By not later than November 15, 2025, the department shall submit a report to the house and senate appropriations committees, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.

(6) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

Sec. 107. (1) From the state school aid fund appropriation in section 11, there is allocated an amount not to exceed ~~\$40,000,000.00~~ **\$40,500,000.00** for ~~2023–2024~~ **2024–2025** for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual must be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction is provided, and the individual must be at least 18 years of age by July 1 of the program year and the individual's graduating class must have graduated.

(4) By April 1 of each fiscal year for which funding is allocated under this section, the intermediate districts within a prosperity region or subregion shall determine which intermediate district will serve as the prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify the department in a form and manner determined by the department. The department shall approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From the funds allocated under subsection (1), an

amount as determined under this subsection is allocated to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administration costs for serving as the fiscal agent. The allocation provided to each intermediate district serving as a fiscal agent must be calculated as follows:

(a) Sixty percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals between the ages of 18 and 24 that are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(b) Thirty-five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 25 or older who are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(c) Five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 18 or older who lack basic English language proficiency that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(5) To be an eligible fiscal agent, an intermediate district must agree to do the following in a form and manner determined by the department:

(a) Distribute funds to adult education programs in a prosperity region or subregion as described in this section.

(b) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.

(c) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.

(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

(e) Report adult education program and participant data and information as prescribed by the department.

(6) An adult basic education program, an adult secondary education program, or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by the department, to be below twelfth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A participant in an adult basic education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.

(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

(i) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

(ii) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma or a high school equivalency certificate.

(b) The program administers a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, administers a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and administers a post-test upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(i) The participant achieves a high school equivalency certificate.

(ii) The participant fails to show progress on 2 successive department-approved assessments used to determine readiness to take a high school equivalency test after having completed at least 450 hours of instruction.

(8) A high school completion program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) The program tests participants described in subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant in a course offered under this subsection until 1 of the following occurs:

(i) The participant passes the course and earns a high school diploma.

(ii) The participant fails to earn credit in 2 successive semesters or terms in which the participant is enrolled after having completed at least 900 hours of instruction.

(9) The department shall make payments to a funding recipient under this section in accordance with all of the following:

(a) Statewide allocation criteria, including 3-year average enrollments, census data, and local needs.

(b) Participant completion of the adult basic education objectives by achieving an educational gain as determined by the national reporting system levels; for achieving basic English proficiency, as determined by the department; for achieving a high school equivalency certificate or passage of 1 or more individual high school equivalency tests; for attainment of a high school diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution; or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the workforce innovation and opportunity act, Public Law 113-128.

(d) Allowable expenditures.

(10) An individual who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, an individual who is not eligible to be served in a program under this section due to the program limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The local or intermediate district conducting the program shall determine the tuition amount.

(11) An individual who is an inmate in a state correctional facility is not counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant must not exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) ~~In order to~~ To receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department. In addition, a funding recipient shall agree to pay to

a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. ~~In addition to the funding allocated under subsection (1), there is allocated for 2023-2024 an amount not to exceed \$500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming under this section and section 61a. The department shall make payments under this subsection to each funding recipient in the same proportion as funding calculated and allocated under subsection (4).~~

(15) From the amount appropriated in subsection (1), an amount not to exceed \$4,000,000.00 is allocated for ~~2023-2024-2024-2025 for grants to approved adult education or state-approved career-technical center programs that connect adult education participants with employers as provided under this subsection. The department shall determine the amount of the grant to each program under this subsection, not to exceed \$350,000.00. The department shall determine regional planning allocations under this subsection to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department in the same proportion as funding calculated and allocated under subsection (4). Funds not fully utilized within a region may be transferred to other regions as appropriate.~~ To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, ~~the area career-technical center, state-approved career and technical education programs,~~ and local employers. To receive funding under this subsection, an eligible program must satisfy all of the following:

(a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

(b) Require adult education staff to work with Michigan Works! agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Except as otherwise provided under this subdivision, participants identified under this subsection must be dually enrolled in adult education programming and in at least 1 state-approved technical course ~~at the area-through a career and technical center-education program.~~ A program that links participants identified under this subsection with adult education programming and commercial driver license courses does not need to enroll the participants in at least 1 state-approved technical course ~~at the area-through a career and technical center-education program~~ to be considered an eligible program under this subsection.

(c) Employ an individual staffed as an adult education navigator who will serve as a caseworker for each participant identified under subdivision (b). The navigator shall work with adult education staff and potential employers to design an educational program best suited to the personal and employment needs of the participant and shall work with human service agencies or other entities to address any barrier in the way of participant access.

~~(16) Each program funded under subsection (15) will receive funding for 3 years. After 3 years of operations and funding, a program must reapply for funding.~~

~~(16) (17) Not By not~~ later than December 1 of each year, a program funded under subsection (15) shall provide a report to the senate and house appropriations subcommittees on school aid, to the senate and house fiscal agencies, and to the state budget director identifying the number of participants, graduation rates, and a measure of transition to employment.

(17) ~~(18)~~ Except as otherwise provided in this subsection, participants under subsection (15) must be concurrently enrolled and actively working toward obtaining a high school diploma or a high school equivalency certificate. Concurrent enrollment is not required under this subsection for a participant that was enrolled in adult education during the same program year and obtained a high school diploma or a high school equivalency certificate ~~prior to before~~ enrollment in an eligible career and technical skills program under subsection (15). Up to ~~15%-10%~~ of adult education participants served under subsection (15) may already have a high school diploma or a high school equivalency certificate at the time of enrollment in an eligible career and technical skills program under subsection (15) and receive remediation services. It is intended that the cap described in the immediately preceding sentence is continually lowered on an annual basis until it eventually is 0%.

~~(18) (19)~~ The department shall approve at least 2 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

~~(19) (20)~~ As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) "Career pathway" means a combination of rigorous and high-quality education, training, and other services that comply with all of the following:

(i) Aligns with the skill needs of industries in the economy of this state or in the regional economy involved.

(ii) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50 et seq.

(iii) Includes counseling to support an individual in achieving the individual's education and career goals.

(iv) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(vi) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

(vii) Helps an individual enter or advance within a specific occupation or occupational cluster.

(c) "Department" means the department of labor and economic opportunity.

(d) "Eligible adult education provider" means a district, intermediate district, a consortium of districts, a consortium of intermediate districts, or a consortium of districts and intermediate districts that is identified as part of the local process described in subsection (5)(c) and approved by the department.

Sec. 147. (1) The allocation for ~~2023-2024~~ **2024-2025** for the public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age normal cost method of valuation and risk assumptions adopted by the public school employees retirement board and the department of technology, management, and budget.

(2) The annual level percentage of payroll contribution rates for the ~~2023-2024~~ **2024-2025** fiscal year, as determined by the retirement system, are estimated as follows:

(a) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~48.23%~~ **41.94%** with ~~31.34%~~ **31.36%** paid directly by the employer.

(b) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~44.37%~~ **38.10%** with ~~27.48%~~ **27.52%** paid directly by the employer.

(c) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~43.12%~~ **36.85%** with ~~26.23%~~ **26.27%** paid directly by the employer.

(d) For public school employees who first worked for a public school reporting unit on or after September 4, 2012, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~37.85%~~ **31.54%** with 20.96% paid directly by the employer.

(e) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~39.10%~~ **32.79%** with 22.21% paid directly by the employer.

(f) For public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~37.85%~~ **31.54%** with 20.96% paid directly by the employer.

(g) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~46.98%~~ **40.69%** with ~~30.09%~~ **30.11%** paid directly by the employer.

(h) For public school employees who first worked for a public school reporting unit after January 31, 2018 and who elect to become members of the MPSERS plan, the annual level percentage of payroll contribution rate is estimated at ~~44.05%~~ **37.74%** with 27.16% paid directly by the employer.

(3) In addition to the employer payments described in subsection (2), the employer shall pay the applicable contributions to the Tier 2 plan, as determined by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(4) The contribution rates in subsection (2) reflect an amortization period of ~~15-14~~ years for ~~2023-2024~~ **2024-2025**. The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$100,000,000.00 and for ~~2023-2024~~ **2024-2025** an amount not to exceed \$100,000,000.00 for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement

contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection is based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$193,935,000.00~~ **\$384,642,000.00** for ~~2022-2023~~ **2023-2024** and an amount not to exceed ~~\$359,950,000.00~~ **\$365,100,000.00** for ~~2023-2024~~ **2024-2025**, **and from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated an amount not to exceed \$24,850,000.00 for 2023-2024 only**, for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$65,000.00~~ **\$108,000.00** for ~~2022-2023~~ **2023-2024** and an amount not to exceed \$100,000.00 for ~~2023-2024~~ **2024-2025** for payments to participating district libraries. The amount allocated to each participating entity under this subsection is based on each participating entity's reported quarterly payroll for members that became tier 1 ~~prior to~~ **before** February 1, 2018 for the current fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate. As used in this subsection:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(3) In addition to the allocations under subsections (1) and (2), from the state school aid fund money appropriated in section 11, there is allocated for 2023-2024 **and 2024-2025** only an amount not to exceed \$11,939,000.00 for payments to participating intermediate districts and participating district libraries. A participating intermediate district or participating district library shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the participating intermediate district or participating district library for the fiscal year in which it is received. The amount allocated to each participating intermediate district or participating district library under this subsection is calculated as follows:

(a) For each participating intermediate district, \$11,912,000.00 multiplied by each participating intermediate district's percentage of the total statewide payroll for all participating intermediate districts for the immediately preceding fiscal year.

(b) For each participating district library, \$27,000.00 multiplied by each participating district library's percentage of the total statewide payroll for all participating district libraries for the immediately preceding fiscal year.

(c) As used in this subsection:

(i) "Participating district library" means a district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(ii) "Participating intermediate district" means an intermediate district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(4) **In addition to the allocations under subsections (1), (2), and (3), from the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 an amount not to exceed \$598,000,000.00 for payments to participating entities. The amount allocated to each participating entity under this subsection is based on each participating entity's percentage of the total statewide payroll for all participating entities for the immediately preceding fiscal year. The amount allocated in this subsection represents an amount to effectively reduce each participating entity's unfunded actuarial accrued liability from 20.96% to an estimated 15.21% of covered payroll. It is the intent of the legislature that the allocation under this subsection be used to support student mental health, school safety, the educator workforce, and academic interventions.**

(a) As used in this subsection:

(i) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(ii) “Participating entity” means a district, intermediate district, district library, or community college that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year.

Sec. 147c. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$1,647,200,000.00~~ **\$955,000,000.00** and from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** only an amount needed, estimated at ~~\$215,800,000.00~~ **\$84,100,000.00** for payments to districts and intermediate districts that are participating entities of the Michigan public school employees’ retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$500,000.00~~ **\$300,000.00** for payments to district libraries that are participating entities of the Michigan public school employees’ retirement system. It is the intent of the legislature that money allocated from the MPSERS retirement obligation reform reserve fund under this subsection for ~~2023-2024~~ **2024-2025** represents the amount necessary to reduce the payroll growth assumption to ~~0.75%~~ **-0.25%**. All of the following apply to funding under this subsection:

(a) Except as otherwise provided in this subdivision, for ~~2023-2024~~ **2024-2025**, the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount of ~~\$1,157.00~~ **\$740.00** and are estimated to provide a rate cap per pupil for districts ranging between ~~\$4.00~~ **\$2.00** and ~~\$5,020.00~~ **\$2,650.00**.

(b) Payments made under this subsection are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this subsection is based on each participating entity’s proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this subsection shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this subsection should be considered when comparing a district’s growth in total state aid funding from 1 fiscal year to the next.

(f) ~~Not~~ **By not** later than December 20 of each fiscal year for which funding is allocated under this subsection, the department shall publish and post on its website an estimated MPSERS rate cap per pupil for each district.

~~(g) The office of retirement services shall first apply funds allocated under this subsection to pension contributions and, if any funds remain after that payment, shall apply those remaining funds to other postemployment benefit contributions.~~

(2) In addition to the funds allocated under subsection (1), from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for 2024-2025 only \$250,000,000.00 for payments to participating entities of the Michigan public school employees’ retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity’s proportion of the total covered payroll for the immediately preceding fiscal year. A participating entity that receives funds under this subsection shall use the funds solely for purposes of this subsection. Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under this subsection to the retirement system in a form, manner, and time frame determined by the retirement system. The retirement system shall recognize funds received under this subsection as additional assets being contributed to the system and shall not categorize them as unfunded actuarial liability contributions or normal cost contributions.

(3) (2)-As used in this section:

(a) “Community college” means a community college created under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195.

(b) “District library” means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(c) “MPSERS rate cap per pupil” means an amount equal to the quotient of the district’s payment under this section divided by the district’s pupils in membership.

(d) “Participating entity” means, **except as otherwise provided in this subdivision**, a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year. **As used in subsection (2) only, “participating entity” also means a community college that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year.**

(e) “Retirement system” means the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 147e. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed ~~\$62,000,000.00,~~**\$64,400,000.00**, and there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed ~~\$90,400,000.00-~~**\$104,700,000.00** for payments to participating entities.

(2) The payment to each participating entity under this section is the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant’s Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant’s compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the qualified participant’s compensation.

(c) An amount equal to the increase in employer normal cost contributions under section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in Tier 1, compared to the employer normal cost contribution for a member under section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

(3) As used in this section:

(a) “Member” means that term as defined under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(b) “Participating entity” means a district, intermediate district, or community college that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year.

(c) “Qualified participant” means that term as defined under section 124 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

Sec. 147g. (1) **From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$181,519,700.00 for payments to participating entities to reimburse employees for costs associated with the health care premium subsidy benefit.**

(2) The amount allocated to each participating entity under this section must be based on the participating entity’s members’ proportion of the total required contributions by all members for the health care premium subsidy benefit under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e, for the immediately preceding fiscal year.

(3) Payments to participating entities must be paid to members required to contribute a percentage of their compensation under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e, to reimburse the amount deducted from their pay under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e. If the requirement in section 43e for employees to contribute 3% of compensation is removed through legislation, the participating entity retains the funding distributed under this section as an offset for normal costs associated with retiree health benefits.

(4) As used in this section, “participating entity” means a district, intermediate district, district library, or community college that is a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees’ retirement system for the applicable fiscal year.

Sec. 152a. (1) As required by the court in the consolidated cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024~~**2024-2025** an amount not to exceed \$41,000,500.00 to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state. From this allocation, \$3,000,000.00 is allocated for costs associated with collecting data necessary to provide reporting to tribal governments on the status of students affiliated with their particular tribe and data necessary to determine student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404.

(2) From the allocation in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Sec. 152b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2023-2024~~**2024-2025** to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.

(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The form must be posted on the department's website in electronic form.

(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year must submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.

(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic school's actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school's actual cost in accordance with this section.

(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.

(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.

(7) The funds appropriated under this section are for purposes that are incidental to teaching and the provision of educational services to nonpublic school students; that are noninstructional in nature; that do not constitute a primary function or element necessary for a nonpublic school's existence, operation, and survival; that do not involve or result in excessive religious entanglement; and that are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which must include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and

regardless of who actually performs a specific task. Labor costs under this subsection must be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components must be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.

(10) Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.

~~(11) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2024.~~

~~(12) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2025.~~

(11) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2026.

~~(12)~~ (13) The department shall reimburse nonpublic schools for actual costs incurred in complying with health, safety, or welfare requirements under a law or administrative rule of this state from 2017-2018 through 2022-2023 using work project funds or, if those funds are insufficient to fund reimbursements under this subsection, from the allocation under subsection (1).

Sec. 163. (1) Except as otherwise provided in the revised school code, the board of a district or intermediate district shall not permit any of the following:

(a) An individual who is not appropriately placed under a valid certificate, valid substitute permit, authorization, or approval issued under rules promulgated by the department to teach in an elementary or secondary school.

(b) An individual who does not satisfy the requirements of section 1233 of the revised school code, MCL 380.1233, and rules promulgated by the department to provide school counselor services to pupils in an elementary or secondary school.

(c) An individual who does not satisfy the requirements of section 1246 of the revised school code, MCL 380.1246, and rules promulgated by the department to be employed as a superintendent, principal, or assistant principal, or as an individual whose primary responsibility is to administer instructional programs in an elementary or secondary school or in a district or intermediate district, unless the individual is working under a valid substitute permit issued under rules promulgated by the department.

~~(2) Except as otherwise provided in the revised school code, this subsection, or subsection (4) or (7), a district or intermediate district employing an individual in violation of this section before July 1, 2021 must have deducted an amount equal to the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (7), (5), a district or intermediate district employing an individual in violation of this section on or after July 1, 2021 must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section. Except as otherwise provided under subsection (4) or (5), beginning July 1, 2021, if a district or intermediate district is notified by the department that it is employing an individual in violation of this section and it continues to employ the individual in violation of this section 10 business days after receiving the notification, both of the following apply:~~

~~(a) The district or intermediate district must have deducted an amount equal to 50% of the amount paid to the individual for the period of employment that is in violation of this section that occurs before the expiration of the 10-day period described in this subsection.~~

~~(b) The district or intermediate district must have deducted an amount equal to 100% of the amount paid to the individual for the period of employment that is in violation of this section that occurs after the 10-day period described in this subsection.~~

(3) For purposes of subsection (2), if a district or intermediate district on behalf of an individual or an individual successfully completes the credential application process through the department, including the submission of an appropriate application, required fees, and all required supporting documentation, the individual's employment with the district or intermediate district after this completion is not considered a period of employment that is in violation of this section.

(4) A deduction under subsection (2) for employment in violation of this section ~~that occurs on or after July 1, 2021,~~ may be less than the amount required under that subsection if the superintendent of public instruction finds that the district or intermediate district was hindered in its ability to obtain a substitute credential to enable the district or intermediate district to employ the individual in compliance with this section due to unusual and extenuating circumstances resulting from conditions not within the control of school authorities, including, but not limited to, a natural disaster, death or serious illness of the individual or another employee, an emergency school closure, fraud or other intentional wrongdoing of the individual or another employee, or an emergency health condition as defined by city, county, or state health authorities.

~~(5) For There must be no deduction under subsection (2) for employment of an individual in violation of this section that occurs on or after July 1, 2021, upon request by a district or intermediate district, the department shall credit the amount of an adjustment in payments under section 15 that is based on the employment of the individual that gave rise to the deduction under subsection (2) or (4) against the amount of the deduction under subsection (2) or (4). The amount of the credit under this subsection must not be in an amount that is greater than the deduction assessed under subsection (2) or (4).if there is a membership adjustment under section 15 based on the same employment.~~

(6) If a school official is notified by the department that the school official is employing an individual in violation of this section and knowingly continues to employ that individual, the school official is guilty of a misdemeanor punishable by a fine of \$1,500.00 for each incident. This penalty is in addition to all other financial penalties otherwise specified in this article.

~~(7) There must be no deduction under subsection (2) for a period of employment in violation of this section that occurs between July 1, 2020 and June 30, 2021.~~

Sec. 164j. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2024-2025, from the funds indicated in this section. The following is a summary of the appropriations in this section and section 201f:

(a) The gross appropriation is ~~\$549,517,500.00.~~ **\$462,220,800.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$549,517,500.00.~~ **\$462,220,800.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$0.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$549,517,500.00.~~ **\$461,720,800.00.**

(v) State general fund/general purpose money, ~~\$0.00.~~ **\$500,000.00.**

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$357,961,900.00,~~ **\$363,363,500.00,** allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$6,327,100.00, \$6,026,800.00 for operations, \$273,800.00 for performance funding, and \$26,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$6,425,100.00, \$6,300,600.00 for operations, \$102,700.00 for performance funding, and \$21,800.00 for costs incurred under the North American Indian tuition waiver.**

(b) The appropriation for Bay de Noc Community College is \$6,299,200.00, \$5,877,000.00 for operations, \$308,300.00 for performance funding, and \$113,900.00 for costs incurred under the North American Indian tuition waiver. \$6,398,000.00, \$6,185,300.00 for operations, \$112,700.00 for performance funding, and \$100,000.00 for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Delta College is \$16,690,500.00, \$15,888,200.00 for operations, \$754,100.00 for performance funding, and \$48,200.00 for costs incurred under the North American Indian tuition waiver. \$16,907,200.00, \$16,642,300.00 for operations, \$240,100.00 for performance funding, and \$24,800.00 for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Glen Oaks Community College is \$2,939,000.00, \$2,802,100.00 for operations, \$136,900.00 for performance funding, and \$0.00 for costs incurred under the North American Indian tuition waiver. \$2,985,900.00, \$2,939,000.00 for operations, \$45,100.00 for performance funding, and \$1,800.00 for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Gogebic Community College is \$5,367,600.00, \$5,103,300.00 for operations, \$226,400.00 for performance funding, and \$37,900.00 for costs incurred under the North American Indian tuition waiver. \$5,447,400.00, \$5,329,700.00 for operations, \$69,300.00 for performance funding, and \$48,400.00 for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Grand Rapids Community College is \$20,966,400.00, \$19,766,200.00 for operations, \$1,078,200.00 for performance funding, and \$122,000.00 for costs incurred under the North American Indian tuition waiver. \$21,295,300.00, \$20,844,400.00 for operations, \$339,800.00 for performance funding, and \$111,100.00 for costs incurred under the North American Indian tuition waiver.

(g) The appropriation for Henry Ford College is \$24,943,900.00, \$23,700,100.00 for operations, \$1,229,700.00 for performance funding, and \$14,100.00 for costs incurred under the North American Indian tuition waiver. \$25,307,100.00, \$24,929,800.00 for operations, \$370,900.00 for performance funding, and \$6,400.00 for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Jackson College is \$13,887,400.00, \$13,295,100.00 for operations, \$559,000.00 for performance funding, and \$33,300.00 for costs incurred under the North American Indian tuition waiver. \$14,074,900.00, \$13,854,100.00 for operations, \$178,500.00 for performance funding, and \$42,300.00 for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Kalamazoo Valley Community College is \$14,539,400.00, \$13,776,100.00 for operations, \$705,800.00 for performance funding, and \$57,500.00 for costs incurred under the North American Indian tuition waiver. \$14,741,600.00, \$14,481,900.00 for operations, \$222,500.00 for performance funding, and \$37,200.00 for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Kellogg Community College is \$11,290,200.00, \$10,754,400.00 for operations, \$514,800.00 for performance funding, and \$21,000.00 for costs incurred under the North American Indian tuition waiver. \$11,462,100.00, \$11,269,200.00 for operations, \$157,500.00 for performance funding, and \$35,400.00 for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for Kirtland Community College is \$3,792,900.00, \$3,577,900.00 for operations, \$195,200.00 for performance funding, and \$19,800.00 for costs incurred under the North American Indian tuition waiver. \$3,860,900.00, \$3,773,100.00 for operations, \$62,000.00 for performance funding, and \$25,800.00 for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for Lake Michigan College is \$6,321,600.00, \$5,978,400.00 for operations, \$339,600.00 for performance funding, and \$3,600.00 for costs incurred under the North American Indian tuition waiver. \$6,414,200.00, \$6,318,000.00 for operations, \$90,200.00 for performance funding, and \$6,000.00 for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for Lansing Community College is \$35,752,700.00, \$34,228,900.00 for operations, \$1,460,300.00 for performance funding, and \$63,500.00 for costs incurred under the North American Indian tuition waiver. \$36,215,600.00, \$35,689,200.00 for operations, \$445,200.00 for performance funding, and \$81,200.00 for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Macomb Community College is \$37,661,900.00, \$35,911,900.00 for operations, \$1,723,500.00 for performance funding, and \$26,500.00 for costs incurred under the North American Indian tuition waiver. \$38,184,300.00, \$37,635,400.00 for operations, \$525,200.00 for performance funding, and \$23,700.00 for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Mid Michigan Community College is \$5,798,500.00, \$5,458,100.00 for operations, \$284,800.00 for performance funding, and \$55,600.00 for costs incurred under the North American Indian tuition waiver. \$5,912,500.00, \$5,742,900.00 for operations, \$94,100.00 for performance funding, and \$75,500.00 for costs incurred under the North American Indian tuition waiver.

(p) The appropriation for Monroe County Community College is ~~\$5,286,800.00, \$5,003,600.00 for operations, \$281,100.00 for performance funding, and \$2,100.00 for costs incurred under the North American Indian tuition waiver.~~ **\$5,370,300.00, \$5,284,700.00 for operations, \$83,800.00 for performance funding, and \$1,800.00 for costs incurred under the North American Indian tuition waiver.**

(q) The appropriation for Montcalm Community College is ~~\$3,966,700.00, \$3,758,900.00 for operations, \$198,300.00 for performance funding, and \$9,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$4,035,200.00, \$3,957,200.00 for operations, \$76,100.00 for performance funding, and \$1,900.00 for costs incurred under the North American Indian tuition waiver.**

(r) The appropriation for C.S. Mott Community College is ~~\$17,823,200.00, \$17,098,300.00 for operations, \$693,400.00 for performance funding, and \$31,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$18,023,600.00, \$17,791,700.00 for operations, \$226,100.00 for performance funding, and \$5,800.00 for costs incurred under the North American Indian tuition waiver.**

(s) The appropriation for Muskegon Community College is ~~\$10,223,600.00, \$9,733,400.00 for operations, \$477,500.00 for performance funding, and \$12,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$10,381,200.00, \$10,210,900.00 for operations, \$149,000.00 for performance funding, and \$21,300.00 for costs incurred under the North American Indian tuition waiver.**

(t) The appropriation for North Central Michigan College is ~~\$4,011,000.00, \$3,615,900.00 for operations, \$252,900.00 for performance funding, and \$142,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$4,110,200.00, \$3,868,800.00 for operations, \$78,900.00 for performance funding, and \$162,500.00 for costs incurred under the North American Indian tuition waiver.**

(u) The appropriation for Northwestern Michigan College is ~~\$10,650,300.00, \$10,006,800.00 for operations, \$466,500.00 for performance funding, and \$177,000.00 for costs incurred under the North American Indian tuition waiver.~~ **\$10,816,600.00, \$10,473,300.00 for operations, \$146,500.00 for performance funding, and \$196,800.00 for costs incurred under the North American Indian tuition waiver.**

(v) The appropriation for Oakland Community College is ~~\$24,755,900.00, \$23,469,500.00 for operations, \$1,264,100.00 for performance funding, and \$22,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$25,163,800.00, \$24,733,600.00 for operations, \$396,400.00 for performance funding, and \$33,800.00 for costs incurred under the North American Indian tuition waiver.**

(w) The appropriation for Schoolcraft College is ~~\$14,742,500.00, \$13,939,500.00 for operations, \$772,300.00 for performance funding, and \$30,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$14,993,000.00, \$14,711,800.00 for operations, \$260,200.00 for performance funding, and \$21,000.00 for costs incurred under the North American Indian tuition waiver.**

(x) The appropriation for Southwestern Michigan College is ~~\$7,695,500.00, \$7,332,800.00 for operations, \$350,000.00 for performance funding, and \$12,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$7,816,100.00, \$7,682,800.00 for operations, \$103,800.00 for performance funding, and \$29,500.00 for costs incurred under the North American Indian tuition waiver.**

(y) The appropriation for St. Clair County Community College is ~~\$8,226,400.00, \$7,786,600.00 for operations, \$423,800.00 for performance funding, and \$16,000.00 for costs incurred under the North American Indian tuition waiver.~~ **\$8,366,100.00, \$8,210,400.00 for operations, \$131,600.00 for performance funding, and \$24,100.00 for costs incurred under the North American Indian tuition waiver.**

(z) The appropriation for Washtenaw Community College is ~~\$15,938,200.00, \$14,851,300.00 for operations, \$1,074,200.00 for performance funding, and \$12,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$16,281,900.00, \$15,925,500.00 for operations, \$331,800.00 for performance funding, and \$24,600.00 for costs incurred under the North American Indian tuition waiver.**

(aa) The appropriation for Wayne County Community College is ~~\$19,197,900.00, \$18,376,100.00 for operations, \$817,200.00 for performance funding, and \$4,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$19,464,700.00, \$19,193,300.00 for operations, \$267,000.00 for performance funding, and \$4,400.00 for costs incurred under the North American Indian tuition waiver.**

(bb) The appropriation for West Shore Community College is ~~\$2,865,600.00, \$2,721,000.00 for operations, \$130,200.00 for performance funding, and \$14,400.00 for costs incurred under the North American Indian tuition waiver.~~ **\$2,908,700.00, \$2,851,200.00 for operations, \$45,500.00 for performance funding, and \$12,000.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$357,961,900.00~~ **\$363,363,500.00** and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year ~~2023-2024~~ **2024-2025** to offset certain fiscal year ~~2023-2024~~ **2024-2025** retirement contributions is \$7,189,000.00, appropriated from the state school aid fund.

(b) For fiscal year ~~2023-2024~~, **2024-2025**, there is allocated an amount not to exceed \$23,000,000.00 **\$21,800,000.00** for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is ~~\$105,800,000.00~~, **\$62,100,000.00**, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional fiscal year ending June 30, ~~2024~~ **2025**.

(7) For fiscal year ~~2023-2024~~ **2024-2025** only, from the appropriations described in subsection (1), the amount appropriated for career and education navigators for adult learners is ~~\$5,000,000.00~~, **\$1,150,000.00**, appropriated from the state school aid fund. Community colleges, partnering with 1 or more county governments, where practicable, may apply for grant funding through the Office of Sixty by 30 in the department of labor and economic opportunity ~~lifelong education, advancement, and potential~~ to supplement or create navigation efforts of adult learners. The Office of Sixty by 30 ~~department~~ shall issue a report including, but not limited to, the number of grants awarded, a list of community colleges awarded grants and the amounts, and the amount of unexpended funds remaining at the end of the fiscal year. The report must be issued to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director by September 30, ~~2024~~ **2025**.

(8) ~~For fiscal year 2023-2024 only, from the appropriations described in subsection (1), the amount appropriated for the Michigan Reconnect Entry Point Program is \$5,000,000.00, appropriated from the state school aid fund. Community colleges, partnering with 1 or more county governments, where practicable, may apply for grant funding through the Office of Sixty by 30 in the department of labor and economic opportunity to engage Michigan reconnect grant applicants who have been approved for funding but have not enrolled in a postsecondary or eligible Michigan reconnect program and work to identify and resolve barriers preventing enrollment. The Office of Sixty by 30 shall issue a report including, but not limited to, the number of grants awarded, a list of community colleges awarded grants and the amounts, a list of any counties that partnered with a community college for a grant under this section, and the amount of unexpended funds remaining at the end of the fiscal year. The report must be issued to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director by September 30, 2024.~~

(9) For fiscal year ~~2023-2024~~ only, from the appropriations described in subsection (1), subject to sections 216c and 216d, the amount appropriated for infrastructure, technology, equipment, maintenance, housing, and safety is \$32,836,600.00, appropriated from the state school aid fund.

(10) For fiscal year ~~2023-2024~~ only, from the appropriations described in subsection (1), \$5,000,000.00 is appropriated from the state school aid fund for critical incident mapping. These funds must be distributed to community colleges proportionately to the amounts in subsection (2) for operations.

(11) From the appropriations described in subsection (1), the amount appropriated for Michigan workforce development projects is \$530,000.00, appropriated from the state school aid fund. These funds must be awarded to Kalamazoo Valley Community College, and must be used by that college in conjunction with the college's wind turbine program for curriculum development for programs in 1 or more of the following areas:

(a) Electric vehicle battery installation and repair.

(b) Electric vehicle charger installation for residential applications, commercial applications, or both.

(c) Residential and community scale solar panel installation, maintenance, and repair.

(12) For fiscal year ~~2023-2024~~ only, from the appropriations described in subsection (1), \$5,000,000.00 is appropriated from the state school aid fund to Washtenaw Community College for costs related to the college's involvement with a semiconductor research alliance.

(8) For fiscal year ~~2024-2025~~ only, from the appropriations described in subsection (1), \$500,000.00 is appropriated from state general fund/general purpose money to the Michigan Community Colleges Association to support a program intended to encourage high school students and young adults to pursue public-service-focused careers, including those in public safety, education, and health care.

(9) For fiscal year ~~2024-2025~~ only, from the appropriations described in subsection (1), \$350,000.00 is appropriated from the state school aid fund to Kalamazoo Valley Community College for internet accessibility improvements.

Sec. 201f. For fiscal year 2024-2025 only, from the appropriations described in section 201(1), \$3,568,300.00 is appropriated from the state school aid fund for a 1-time performance funding payment. Funds appropriated under this section, subject to conditions described sections 216e, 217b, and 230, must be distributed as follows:

- (a) Alpena Community College, \$68,400.00.
- (b) Bay de Noc Community College, \$75,100.00.
- (c) Delta College, \$160,100.00.
- (d) Glen Oaks Community College, \$30,100.00.
- (e) Gogebic Community College, \$46,200.00.
- (f) Grand Rapids Community College, \$226,500.00.
- (g) Henry Ford College, \$247,300.00.
- (h) Jackson College, \$119,000.00.
- (i) Kalamazoo Valley Community College, \$148,300.00.
- (j) Kellogg Community College, \$105,000.00.
- (k) Kirtland Community College, \$41,300.00.
- (l) Lake Michigan College, \$60,100.00.
- (m) Lansing Community College, \$296,800.00.
- (n) Macomb Community College, \$350,100.00.
- (o) Mid Michigan Community College, \$62,700.00.
- (p) Monroe County Community College, \$55,900.00.
- (q) Montcalm Community College, \$50,800.00.
- (r) C.S. Mott Community College, \$150,700.00.
- (s) Muskegon Community College, \$99,300.00.
- (t) North Central Michigan College, \$52,600.00.
- (u) Northwestern Michigan College, \$97,700.00.
- (v) Oakland Community College, \$264,300.00.
- (w) Schoolcraft College, \$173,400.00.
- (x) Southwestern Michigan College, \$69,200.00.
- (y) St. Clair County Community College, \$87,800.00.
- (z) Washtenaw Community College, \$221,200.00.
- (aa) Wayne County Community College, \$178,000.00.
- (bb) West Shore Community College, \$30,400.00.

Sec. 201g. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

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

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

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

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

(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.

Sec. 201h. In addition to funds appropriated under section 201(4)(b) as amended by 2023 PA 103 and 2023 PA 320, for fiscal year 2023-2024 only, \$1,300,000.00 is appropriated from the state school aid fund for payments to participating community colleges. A community college that receives money under this section shall use that money solely for the purpose of offsetting the normal cost contribution rate.

Sec. 205. To the extent possible, the principal executive officer of each community college that receives appropriations in section 201 shall take all reasonable steps to ensure ~~businesses in deprived and depressed communities~~ **that geographically disadvantaged business enterprises** compete for and perform contracts to provide services or supplies, or both. Each principal executive officer shall strongly encourage businesses with which the community college contracts to subcontract with certified ~~businesses in depressed and deprived communities~~ **geographically disadvantaged business enterprises** for services or supplies, or both. **As used in this section, “geographically disadvantaged business enterprises” means that term as defined in Executive Directive No. 2023-1.**

Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, ~~2024-2025~~ and must be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2023-2024~~. Each community college shall accrue its July and August ~~2024-2025~~ payments to its institutional fiscal year ending June 30, ~~2024-2025~~.

(2) The funds appropriated in section 201(4)(b) are appropriated for community colleges with fiscal years ending June 30, ~~2024-2025~~ and must be distributed to the respective community colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August ~~2024-2025~~ payments to its institutional fiscal year ending June 30, ~~2024-2025~~.

Sec. 207a. The following apply to the allocation of the fiscal year ~~2023-2024-2024-2025~~ appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4)(a) must be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

(c) The amount allocated to each participating community college under section 201(4)(b) must be based on each college's reported quarterly payroll for members for the current fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2023-2024-2024-2025~~ appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) must be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(b) The amount allocated to each community college under section 201(5) must be based on each community college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year. A community college that receives funds under this subdivision shall use the funds solely for the purpose of retirement contributions under section 201(5).

(c) Each participating college that receives funds under section 201(5) shall forward an amount equal to the amount allocated under subdivision (b) to the retirement system in a form and manner determined by the retirement system.

Sec. 207c. All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year ~~2023-2024-2024-2025~~ must be based on that community college's proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in ~~2023-2024~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) must be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

Sec. 216e. (1) Payments under section 201 for performance funding and under section 201f for 1-time performance funding payments must be made only to a community college that certifies to the state budget director by the last business day of August each year that it complies with the following:

(a) The institutional best practice described in subdivision (c).

(b) One or more of the institutional best practices described in subdivisions (d) to (g).

(c) The community college accepts the Michigan Transfer Agreement, partners with the Michigan Transfer Network, and promotes clear transfer pathways for interested students by doing all of the following:

(i) Has a policy to help transfer or accept associate degrees from other accredited Michigan postsecondary education institutions.

(ii) Publishes the policy described in subparagraph (i) on the institution's website in an easily accessible way and in admissions materials.

(iii) Provides publicly available information on the Michigan Transfer Network, applicable transfer pathways, and financial aid available to transfer students, at no cost to the student.

(iv) Begins negotiations to increase the number of reverse transfer agreements or articulation agreements and reports on the progress toward completing the agreements to the state budget director by the last business day in February.

(d) The community college requires all students to receive an academic degree or certificate map that outlines required course sequencing, program and institution requirements, declared minor program academic requirements, and a recommended timeline within which courses should be taken and in which specific semester or term in order to satisfy all program requirements to allow the student to graduate on time.

(e) The community college provides non-credit-bearing developmental or remedial courses at a reduced cost to students.

(f) The community college provides each degree- or certificate-seeking student with a designated, trained academic advisor to support student retention, persistence, and completion. The community college shall require students to meet with their academic advisor at least once per semester or term.

(g) The community college provides employees during business hours to assist prospective and current students in completing the Free Application for Federal Student Aid.

(2) The state budget director shall implement uniform reporting requirements to ensure that a community college receiving a payment under section 201 for performance funding and under section 201f for 1-time performance funding payments has satisfied the institutional best practices requirements of this section. The state budget director has the sole authority to determine if a community college has met the requirements of this section. Information reported by a community college to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) If a community college fails to comply with the certification requirements of this section, the state treasurer may withhold the monthly installments under section 206 to the community college until the certification is completed. If a community college does not comply with the certification requirements described in this section by the end of the fiscal year, the community college forfeits the amount withheld. Forfeited funds must lapse to the state school aid fund. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any community college.

Sec. 217. (1) The center shall do all of the following:

(a) Establish, maintain, and coordinate the state community college database commonly known as the "Michigan Community College Data Inventory".

(b) Collect data concerning community colleges and community college programs in this state, including data required by law.

(c) Establish procedures to ensure the validity and reliability of the data and the collection process.

(d) Develop model data collection policies, including, but not limited to, policies that ensure the privacy of any individual student data. Privacy policies shall ~~shall~~ **must** ensure that student Social Security numbers are not released to the public for any purpose.

(e) Provide data in a useful manner to allow state policymakers and community college officials to make informed policy decisions.

(f) Compile and publish electronically the demographic enrollment profile.

(g) Compile and publish the community college performance improvement and performance completion rate data to support the performance funding formula metrics specified in section 230(1)(c) and (e).

(2) There is created within the center the Michigan Community College Data Inventory advisory committee. The committee shall provide advice to the director of the center regarding the management of the state community college database, including, but not limited to:

(a) Determining what data are necessary to collect and maintain to enable state and community college officials to make informed policy decisions.

(b) Defining the roles of all stakeholders in the data collection system.

(c) Recommending timelines for the implementation and ongoing collection of data.

(d) Establishing and maintaining data definitions, data transmission protocols, and system specifications and procedures for the efficient and accurate transmission and collection of data.

(e) Establishing and maintaining a process for ensuring the accuracy of the data.

(f) Establishing and maintaining policies related to data collection, including, but not limited to, privacy policies related to individual student data.

(g) Ensuring that the data are made available to state policymakers and citizens of this state in the most useful format possible.

(h) Addressing other matters as determined by the director of the center or as required by law.

(3) The Michigan Community College Data Inventory advisory committee created in subsection (2) ~~shall consist~~ **consists** of the following members:

(a) One representative from the house fiscal agency, appointed by the director of the house fiscal agency.

(b) One representative from the senate fiscal agency, appointed by the director of the senate fiscal agency.

(c) One representative from the department of labor and economic opportunity, appointed by the director of the department of labor and economic opportunity.

(d) One representative from the center, appointed by the director of the center.

(e) One representative from the state budget office, appointed by the state budget director.

(f) One representative from the department of lifelong education, advancement, and potential, appointed by the director of the department of lifelong education, advancement, and potential.

~~(g)~~ **(f)** One representative from the governor's policy office, appointed by that office.

~~(h)~~ **(g)** Four representatives of the Michigan Community College Association, appointed by the president of the association, that represent a diverse mix of college sizes.

Sec. 217b. (1) Each community college that receives an appropriation in section 201 shall report to the center by the last business day of August of each year the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the community college governing board for the current academic year. This report should also include the annual cost of tuition and fees based on a full-time course load of 30 credits. This report must also specify the amount that tuition and fees have increased for the community college from the prior academic year. Each community college shall also report any revisions to the reported current academic year tuition and mandatory fees adopted by the community college governing board to the center within 15 days of being adopted. The center shall provide this information and any revisions to the house and senate fiscal agencies and the state budget director.

(2) Each community college that receives an appropriation in section 201 shall certify to the state budget director by the last business day of August **of each year** that its board will not adopt an increase in tuition and fee rates for in-district students for the 2023-2024 academic year that is greater than 4.5% ~~or \$205.00, whichever is greater. the tuition restraint described in this subsection. For the academic year 2024-2025, the tuition restraint level is equal to the greater of 4.5% or \$217.00. For the academic year 2025-2026, the tuition restraint level is equal to the greater of 4.5% or \$227.00. It is intended that in the next fiscal year, the tuition restraint rate will be adjusted only for the subsequent academic year.~~ As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all in-district students at least once during their enrollment at a community college. A community college increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by in-district students in the ~~2023-2024~~ **2024-2025** academic year to exceed the limit established in this section.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each class, based on an unweighted average of the rates authorized by the community college board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.

(3) Community colleges that exceed the tuition and fee rate cap described in subsection (2) are not eligible to receive payments under section 201 for performance funding **or payments under section 201f for 1-time performance funding payments** for fiscal year ~~2023-2024~~ **2024-2025**.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (2).

Sec. 217c. (1) **Not later than December 1 of each year, each community college or federally recognized tribal college that, in the current or previous academic year, serves or has served as an authorizing body shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the department of education containing, at a minimum, all of the following information, as applicable:**

(a) A list of all of the schools currently authorized, and the following information for each school:

(i) The year in which the school was authorized.

(ii) The location of each school.

(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) A description of any new contracts for the operation of a public school academy that will operate as the successor to a public school academy that is currently being operated under a contract issued by another authorizing body that is currently performing in the bottom 5% of schools.

(d) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. If a school is identified as a partnership school under this subdivision, the authorizing body must include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.

(e) The total enrollment of each school at the time of submission, the grades served, and student turnover rate compared to the previous academic year, as applicable.

(f) Aggregated student enrollment data for students with an individualized education program as well as the total amount of special education cost reimbursements received by each school during the school's most recently completed fiscal year.

(g) The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(h) The names of the members of the board of directors of each school currently authorized, the date that each member of each board was appointed, and a description of the methodology used by the authorizing body to select members for the boards of directors for each school currently authorized by the authorizing body.

(i) The name of the applicant who applied and received approval to organize each currently authorized school.

(j) The list of contracts and length of their terms, with education service providers associated with each school currently authorized pursuant to section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. The contracts described in this subdivision include, but are not limited to, those described in section 502(2)(d) of the revised school code, 1976 PA 451, MCL 380.502.

(k) Activities undertaken by each authorizing body to ensure that the board of directors of each school complies with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and laws prohibiting conflicts of interest.

(l) A description of the activities undertaken by the authorizing body to meet the functions of an authorizing body under section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable.

(m) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.

(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.

(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).

(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.

(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.

(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the community college or federally recognized tribal college.

(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.

(n) An executive summary section that provides relevant summary data for reporting requirements under subdivisions (a) to (m).

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) A report submitted under this section must be published and updated through a link on the homepage of the institution's website.

(4) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

Sec. 222. Each community college shall have an annual audit of all income and expenditures performed by an independent auditor and shall furnish the independent auditor's management letter and an annual audited accounting of all general and current funds income and expenditures including audits of college foundations to the center before November 15 of each year. The center shall provide this information to members of the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, the auditor general, the department of labor and economic opportunity, **the department of lifelong education, advancement, and potential**, and the state budget director. If a community college fails to furnish the audit materials, the monthly state aid installments ~~shall~~**must** be withheld from that college until the information is submitted. All reporting ~~shall~~**must** conform to the requirements set forth in the "2001 Manual for Uniform Financial Reporting, Michigan Public Community Colleges". A community college shall make the information the community college is required to provide under this section available to the public on its website.

Sec. 223. (1) By January 15 of each year, the department of ~~civil rights~~**lifelong education, advancement, and potential** shall submit to the state budget director, the house and senate appropriations subcommittees on community colleges, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each community college submitting information under subsection (2), all of the following:

(i) The number of North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) The number of students attending under a North American Indian tuition waiver who withdrew from the college each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) The number of students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(2) By January 1 of each year, a community college that receives an appropriation in section 201 or a tribal institution that receives funding for the North American Indian tuition waiver shall provide to the department of ~~civil rights~~**lifelong education, advancement, and potential** any information necessary for preparing the report described in subsection (1), using guidelines and procedures developed by the department of ~~civil rights~~**lifelong education, advancement, and potential**.

(3) The department of ~~civil rights~~**lifelong education, advancement, and potential** may consolidate the report required under this section with the report required under section 268, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 229. (1) Each community college that receives an appropriation in section 201 is expected to include in its admission application process a specific question as to whether an applicant for admission has ever served or is currently serving in the United States Armed Forces or is the spouse or dependent of an individual who has served or is currently serving in the United States Armed Forces, in order to more quickly identify potential educational assistance available to that applicant.

(2) It is expected that each community college that receives an appropriation in section 201 will work with the house and senate appropriations subcommittees on community colleges, the Michigan Community College Association, and veterans groups to review the issue of in-district tuition for veterans of this state when determining tuition rates and fees.

(3) Each community college that receives an appropriation in section 201 is expected to provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, National Guard, or military reserves duties and training obligations.

(4) Each community college that receives an appropriation in section 201 is expected to provide college level equivalent credit examination opportunities for veterans and active members of the military, National Guard, or military reserves within the first semester of enrollment.

(5) Each community college that receives an appropriation in section 201 is expected to do all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:

(a) Inform the applicant that ~~he or she~~ **the applicant** may receive academic credit for college-level training and education ~~he or she~~ **the applicant** received while serving in the military.

(b) Inform the applicant that ~~he or she~~ **the applicant** may submit a transcript of ~~his or her~~ **the applicant's** college-level military training and education to the community college.

(c) If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the community college for ~~his or her~~ **the applicant's** college-level military training and education.

(6) As used in this section:

(a) "Transcript" includes a joint services transcript prepared for the applicant under the American Council on Education registry of credit recommendations.

(b) "Veteran" means an honorably discharged veteran entitled to educational assistance under section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

Sec. 229a. Included in the fiscal year ~~2023-2024~~ **2024-2025** appropriations for the department of technology, management, and budget are appropriations totaling ~~\$33,081,600.00~~ **\$33,481,600.00** to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

(a) Alpena Community College, ~~\$886,800.00~~ **\$858,200.00**.

(b) Bay de Noc Community College, ~~\$522,100.00~~ **\$516,900.00**.

(c) Delta College, ~~\$2,724,100.00~~ **\$2,696,900.00**.

(d) Glen Oaks Community College, ~~\$406,500.00~~ **\$381,400.00**.

(e) Gogebic Community College, ~~\$56,800.00~~ **\$56,200.00**.

(f) Grand Rapids Community College, ~~\$1,101,000.00~~ **\$1,090,000.00**.

(g) Henry Ford College, ~~\$1,178,300.00~~ **\$1,570,600.00**.

(h) Jackson College, ~~\$2,193,900.00~~ **\$2,051,500.00**.

(i) Kalamazoo Valley Community College, ~~\$1,968,800.00~~ **\$1,949,100.00**.

(j) Kellogg Community College, ~~\$688,400.00~~ **\$681,500.00**.

(k) Kirtland Community College, ~~\$228,100.00~~ **\$225,800.00**.

(l) Lake Michigan College, ~~\$979,300.00~~ **\$969,600.00**.

(m) Lansing Community College, ~~\$1,156,800.00~~ **\$759,800.00**.

(n) Macomb Community College, ~~\$1,972,800.00~~ **\$2,847,000.00**.

(o) Mid Michigan Community College, ~~\$1,637,300.00~~ **\$1,620,900.00**.

(p) Monroe County Community College, ~~\$1,561,300.00~~ **\$1,545,700.00**.

(q) Montcalm Community College, ~~\$452,200.00~~ **\$447,600.00**.

(r) C.S. Mott Community College, ~~\$2,132,100.00~~ **\$2,110,700.00**.

(s) Muskegon Community College, ~~\$995,600.00~~ **\$985,600.00**.

(t) North Central Michigan College, ~~\$654,900.00~~ **\$648,400.00**.

(u) Northwestern Michigan College, ~~\$1,811,700.00~~ **\$1,793,600.00**.

(v) Oakland Community College, \$0.00.

(w) Schoolcraft College, ~~\$2,262,900.00~~ **\$2,240,200.00**.

(x) Southwestern Michigan College, ~~\$833,900.00~~ **\$825,500.00**.

(y) St. Clair County Community College, ~~\$727,900.00~~ **\$720,600.00**.

(z) Washtenaw Community College, ~~\$1,739,800.00~~ **\$1,682,300.00**.

(aa) Wayne County Community College, ~~\$1,482,300.00~~ **\$1,467,500.00**.

(bb) West Shore Community College, ~~\$746,000.00~~ **\$738,500.00**.

Sec. 230. (1) Subject to subsection (4), money included in the appropriations for community college operations under section 201(2) for performance funding **and under section 201f for 1-time performance funding payments** is distributed based on the following formula:

(a) Allocated proportionate to fiscal year ~~2022-2023~~ **2023-2024** base appropriations, 30%.

(b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.

(c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.

(e) Based on the performance completion rate as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.

(f) Based on administrative costs, 5%.

(g) Based on the local strategic value component, as developed in cooperation with the Michigan Community College Association and described in subsection (2), 5%.

(2) Money included in the appropriations for community college operations under section 201(2) for local strategic value is allocated only to each community college that certifies to the state budget director, through a board of trustees resolution on or before October 15, 2023-2024, that the college has met 4 out of 5 best practices listed in each category described in subsection (3). The resolution must provide specifics as to how the community college meets each best practice measure within each category. One-third of funding available under the strategic value component is allocated to each category described in subsection (3). Amounts distributed under local strategic value must be on a proportionate basis to each college's fiscal year 2022-2023-2023-2024 operations funding. Payments to community colleges that qualify for local strategic value funding must be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

(a) For Category A, economic development and business or industry partnerships, the following:

(i) The community college has active partnerships with local employers including hospitals and health care providers.

(ii) The community college provides customized on-site training for area companies, employees, or both.

(iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.

(iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.

(v) The community college has active partnerships with local or regional workforce and economic development agencies.

(b) For Category B, educational partnerships, the following:

(i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

(ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.

(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.

(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201(2) and for 1-time performance funding payments under section 201f must be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at

least every 6 months, to the Michigan Transfer Network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding **and 1-time performance funding** until a community college is in compliance with this subsection.

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2024~~, **2025**, from the funds indicated in this section. The following is a summary of the appropriations in this section and ~~section 236d and 236j~~:

(a) The gross appropriation is ~~\$2,291,048,800.00~~, **\$2,324,292,600.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$2,291,048,800.00~~, **\$2,324,292,600.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$131,026,400.00~~, **\$3,200,000.00**.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$482,268,300.00~~, **\$461,668,300.00**.

(v) State general fund/general purpose money, ~~\$1,677,754,100.00~~, **\$1,859,424,300.00**.

(c) The totals and subtotals reflected in subdivisions (a) and (b) do not include amounts appropriated under subsection (7)(f) or (8)(c) ~~(8)(b)~~ to avoid duplicating totals of amounts appropriated in this section and section 236j.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is ~~\$95,413,800.00, \$89,352,000.00 for operations, \$0.00 for per-student floor funding, \$4,467,600.00 for operations increase, and \$1,594,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$96,833,700.00, \$93,819,600.00 for operations, \$1,407,300.00 for operations increase, and \$1,606,800.00 for costs incurred under the North American Indian tuition waiver.**

(b) The appropriation for Eastern Michigan University is ~~\$83,144,700.00, \$78,798,800.00 for operations, \$0.00 for per-student floor funding, \$3,939,900.00 for operations increase, and \$406,000.00 for costs incurred under the North American Indian tuition waiver.~~ **\$84,381,000.00, \$82,738,700.00 for operations, \$1,241,100.00 for operations increase, and \$401,200.00 for costs incurred under the North American Indian tuition waiver.**

(c) The appropriation for Ferris State University is ~~\$59,646,500.00, \$56,126,000.00 for operations, \$0.00 for per-student floor funding, \$2,806,300.00 for operations increase, and \$714,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$60,548,400.00, \$58,932,300.00 for operations, \$884,000.00 for operations increase, and \$732,100.00 for costs incurred under the North American Indian tuition waiver.**

(d) The appropriation for Grand Valley State University is ~~\$97,365,000.00, \$79,974,500.00 for operations, \$11,560,000.00 for per-student floor funding, \$4,576,700.00 for operations increase, and \$1,253,800.00 for costs incurred under the North American Indian tuition waiver.~~ **\$98,876,100.00, \$96,111,200.00 for operations, \$1,441,700.00 for operations increase, and \$1,323,200.00 for costs incurred under the North American Indian tuition waiver.**

(e) The appropriation for Lake Superior State University is ~~\$15,190,300.00, \$13,573,100.00 for operations, \$0.00 for per-student floor funding, \$678,700.00 for operations increase, and \$938,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$15,838,800.00, \$14,251,800.00 for operations, \$213,800.00 for operations increase, and \$1,373,200.00 for costs incurred under the North American Indian tuition waiver.**

(f) The appropriation for Michigan State University is ~~\$390,452,600.00, \$301,681,300.00 for operations, \$0.00 for per-student floor funding, \$15,084,100.00 for operations increase, \$1,943,800.00 for costs incurred under the North American Indian tuition waiver, \$38,518,400.00 for MSU AgBioResearch, and \$33,225,000.00 for MSU Extension.~~ **\$396,479,600.00, \$316,765,400.00 for operations, \$4,751,500.00 for operations increase, \$2,143,100.00 for costs incurred under the North American Indian tuition waiver, \$39,096,200.00 for MSU AgBioResearch, and \$33,723,400.00 for MSU Extension.**

(g) The appropriation for Michigan Technological University is ~~\$54,525,700.00, \$51,103,600.00 for operations, \$0.00 for per-student floor funding, \$2,555,200.00 for operations increase, and \$866,900.00 for costs incurred under the North American Indian tuition waiver.~~ **\$55,245,300.00, \$53,658,800.00 for operations, \$804,900.00 for operations increase, and \$781,600.00 for costs incurred under the North American Indian tuition waiver.**

(h) The appropriation for Northern Michigan University is ~~\$53,320,000.00, \$49,589,800.00 for operations, \$0.00 for per-student floor funding, \$2,479,500.00 for operations increase, and \$1,250,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$54,263,000.00, \$52,069,300.00 for operations, \$781,000.00 for operations increase, and \$1,412,700.00 for costs incurred under the North American Indian tuition waiver.**

(i) The appropriation for Oakland University is ~~\$72,288,800.00, \$60,406,600.00 for operations, \$8,123,900.00 for per-student floor funding, \$3,426,500.00 for operations increase, and \$331,800.00 for costs incurred under the North American Indian tuition waiver.~~ **\$73,327,600.00, \$71,957,000.00 for operations, \$1,079,400.00 for operations increase, and \$291,200.00 for costs incurred under the North American Indian tuition waiver.**

(j) The appropriation for Saginaw Valley State University is ~~\$33,894,500.00, \$32,086,300.00 for operations, \$0.00 for per-student floor funding, \$1,604,300.00 for operations increase, and \$203,900.00 for costs incurred under the North American Indian tuition waiver.~~ **\$34,394,500.00, \$33,690,600.00 for operations, \$505,400.00 for operations increase, and \$198,500.00 for costs incurred under the North American Indian tuition waiver.**

(k) The appropriation for University of Michigan - Ann Arbor is ~~\$356,568,800.00, \$338,360,300.00 for operations, \$0.00 for per-student floor funding, \$16,918,000.00 for operations increase, and \$1,290,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$362,128,600.00, \$355,278,300.00 for operations, \$5,329,000.00 for operations increase, and \$1,521,300.00 for costs incurred under the North American Indian tuition waiver.**

(l) The appropriation for University of Michigan - Dearborn is ~~\$31,233,500.00, \$27,869,700.00 for operations, \$1,699,800.00 for per-student floor funding, \$1,478,500.00 for operations increase, and \$185,500.00 for costs incurred under the North American Indian tuition waiver.~~ **\$31,722,500.00, \$31,048,000.00 for operations, \$465,700.00 for operations increase, and \$208,800.00 for costs incurred under the North American Indian tuition waiver.**

(m) The appropriation for University of Michigan - Flint is ~~\$26,404,700.00, \$24,774,800.00 for operations, \$0.00 for per-student floor funding, \$1,238,700.00 for operations increase, and \$391,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$26,695,600.00, \$26,013,500.00 for operations, \$390,200.00 for operations increase, and \$291,900.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Wayne State University is ~~\$224,354,500.00, \$213,286,600.00 for operations, \$0.00 for per-student floor funding, \$10,664,300.00 for operations increase, and \$403,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$227,735,900.00, \$223,950,900.00 for operations, \$3,359,300.00 for operations increase, and \$425,700.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Western Michigan University is ~~\$119,983,900.00, \$113,752,600.00 for operations, \$0.00 for per-student floor funding, \$5,687,600.00 for operations increase, and \$543,700.00 for costs incurred under the North American Indian tuition waiver.~~ **\$121,845,400.00, \$119,440,200.00 for operations, \$1,791,600.00 for operations increase, and \$613,600.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for public universities is ~~\$1,713,787,300.00, \$1,740,316,000.00~~, appropriated from the following:

(a) State school aid fund, \$443,168,300.00.

(b) State general fund/general purpose money, ~~\$1,270,619,000.00~~ **\$1,297,147,700.00**.

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is \$0.00.

(5) The amount appropriated for state and regional programs is \$316,800.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Higher education database modernization and conversion, \$200,000.00.

(b) Midwestern Higher Education Compact, \$116,800.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is ~~\$2,691,500.00~~, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, \$1,956,100.00.

(b) Michigan college/university partnership program, \$586,800.00.

(c) Morris Hood, Jr. educator development program, \$148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is ~~\$447,283,200.00, \$542,453,600.00~~, allocated as follows:

(a) State competitive scholarships, ~~\$26,861,700.00~~ **\$19,930,900.00**.

(b) Tuition grants, ~~\$42,021,500.00~~ **\$41,522,700.00**.

(c) Tuition incentive program, ~~\$73,800,000.00~~ **\$93,800,000.00**.

(d) Children of veterans and officer's survivor tuition grant programs, ~~\$1,400,000.00~~ **\$2,000,000.00**.

(e) Project GEAR-UP, \$3,200,000.00.

(f) Michigan achievement scholarships, ~~\$300,000,000.00~~ **\$330,000,000.00**. From this amount, up to \$10,000,000.00 may be used to award skills scholarships under section 248a.

(g) **Michigan reconnect, \$52,000,000.00.**

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

~~(b) Federal revenues under the social security act, temporary assistance for needy families, \$127,826,400.00.~~

~~(b) (c)-Postsecondary scholarship fund, \$300,000,000.00.~~ **\$330,000,000.00.**

~~(c) (d)-State general fund/general purpose money, \$16,256,800.00.~~ **\$209,253,600.00.**

(d) At the close of the fiscal year, state general fund/general purpose money appropriated in subsection (7) for grants and scholarships that is unspent must be deposited into the postsecondary scholarship fund created in section 236j.

(9) For fiscal year ~~2023-2024~~ **2024-2025** only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed ~~\$9,100,000.00~~ **\$8,500,000.00** for payments to participating public universities, appropriated from the state school aid fund. A public university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, "participating public universities" means public universities that are a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

~~(10) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), the amount appropriated for Michigan Technological University for the creation of a bachelor of science degree in nursing program is \$870,000.00, appropriated from state general fund/general purpose money.~~

~~(11) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$3,000,000.00 is appropriated from state general fund/general purpose money to the Michigan geological survey for costs related to the development, construction, and equipment purchases for a new facility.~~

~~(12) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$5,000,000.00 is appropriated from state general fund/general purpose money for critical incident mapping. These funds must be distributed to universities proportionately to the amounts in subsection (2) for operations.~~

~~(13) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), subject to sections 236m and 236o, \$79,000,000.00 is appropriated from general fund/general purpose money for infrastructure, technology, equipment, maintenance, and safety.~~

~~(14) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$30,000,000.00 is appropriated from the state school aid fund to Michigan State University for the Engineering and Digital Innovation Center.~~

(10) For fiscal year 2024-2025 only, from the appropriation described in subsection (1), \$1,000,000.00 is appropriated from the state general fund/general purpose money for Michigan Transfer Pathways. The department of lifelong education, advancement, and potential shall use funds appropriated under this subsection to work with the Michigan Transfer Network, community colleges, public universities, and other institutions of higher education in this state to facilitate the transfer of students and acceptance of credits among these institutions. The department may hire limited time FTEs or external consultants with the funds. The funds allocated under this subsection for fiscal year 2024-2025 are a work project appropriation, and any unexpended funds remaining at the end of fiscal year 2024-2025 are carried forward into fiscal year 2025-2026, and any unexpended funds remaining at the end of fiscal year 2025-2026 are carried forward into fiscal year 2026-2027. The purpose of the work project is to support transfer pathways at postsecondary institutions in this state. The estimated completion date of the work project is September 30, 2027.

(11) For fiscal year 2024-2025 only, from the appropriation described in subsection (1), \$980,000.00 is appropriated from the state general fund/general purpose money for the FAFSA completion incentive. The department of lifelong education, advancement, and potential shall use funds appropriated under this subsection to run a promotional activity to promote completing the Free Application for Federal Student Aid (FAFSA) for the first time consistent with the promotional-activity exception provided for in section 372(2) of the Michigan penal code, 1931 PA 328, MCL 750.372. The promotional activity must offer prize funds that are available to a number, chosen by the department, of randomly selected Michigan residents who satisfactorily demonstrate to the department that they have completed the FAFSA for the first time.

(12) For fiscal year 2024-2025 only, from the appropriation described in subsection (1), \$750,000.00 is appropriated from state general fund/general purpose money to Western Michigan University to support the Project Clean program.

(13) For fiscal year 2024-2025 only, from the appropriation described in subsection (1), \$70,000.00 is appropriated from state general fund/general purpose money to a city with a population between 70,000 and 80,000 in a county with a population between 225,000 and 275,00 according to the most recent federal decennial census for investments to improve safety on the campus of a public university based in that city.

(14) For fiscal year 2024-2025 only, subject to section 236r, from the appropriation described in subsection (1), \$200,000.00 is appropriated from state general fund/general purpose money for an education performance study.

(15) All of the following apply for fiscal year 2024-2025 only:

(a) In addition to the allocations under subsections (4) and (9), there is allocated an amount not to exceed \$10,000,000.00 for payments to participating public universities, appropriated from the state school aid fund. A public university that receives money under this subsection shall use that money solely for the purpose of payments toward the pension and other postemployment benefit unfunded actuarial accrued liabilities associated with members and pension recipients of those participating public universities.

(b) The amount allocated in subdivision (a) must be allocated to each participating public university based on each participating public university's percentage of the total combined payrolls of the universities' employees who are members of the retirement system and who were hired before January 1, 1996 and the universities' employees who would have been members of the retirement system on or after January 1, 1996, but for the enactment of 1995 PA 272 for all public universities that are participating public universities for the immediately preceding state fiscal year.

(c) Participating public universities receiving funds under this subsection shall forward an amount equal to the amount allocated under subdivision (a) to the retirement system in a form, manner, and time frame determined by the retirement system.

(d) Amounts allocated in subdivision (a) must be paid to participating public universities in 1 lump-sum installment no later than October 31, 2024.

(e) As used in this subsection, "participating public universities" means public universities that are reporting units of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

Sec. 236c. In addition to the funds appropriated for fiscal year ~~2023-2024~~ **2024-2025** in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year ~~2023-2024~~ **2024-2025** for state building authority rent, totaling an estimated ~~\$134,595,300.00~~, **\$140,195,300.00**, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each public university:

- (a) Central Michigan University, ~~\$13,013,100.00~~ **\$12,927,300.00**.
- (b) Eastern Michigan University, ~~\$6,068,200.00~~ **\$6,028,200.00**.
- (c) Ferris State University, ~~\$9,756,300.00~~ **\$9,555,800.00**.
- (d) Grand Valley State University, ~~\$8,680,100.00~~ **\$8,622,800.00**.
- (e) Lake Superior State University, ~~\$2,246,100.00~~ **\$2,231,300.00**.
- (f) Michigan State University, ~~\$16,725,300.00~~ **\$16,615,000.00**.
- (g) Michigan Technological University, ~~\$4,030,700.00~~ **\$5,787,900.00**.
- (h) Northern Michigan University, ~~\$7,768,000.00~~ **\$8,917,700.00**.
- (i) Oakland University, ~~\$9,517,400.00~~ **\$11,256,500.00**.
- (j) Saginaw Valley State University, ~~\$7,880,000.00~~ **\$7,828,000.00**.
- (k) University of Michigan - Ann Arbor, ~~\$11,757,500.00~~ **\$12,280,600.00**.
- (l) University of Michigan - Dearborn, ~~\$10,807,200.00~~ **\$10,736,000.00**.
- (m) University of Michigan - Flint, ~~\$6,103,500.00~~ **\$6,063,200.00**.
- (n) Wayne State University, ~~\$10,092,800.00~~ **\$10,082,300.00**.
- (o) Western Michigan University, ~~\$10,149,100.00~~ **\$11,262,700.00**.

Sec. 236d. (1) In addition to the funds appropriated under section 232(2) for university operations, for fiscal year 2024-2025 only, there is appropriated an amount not to exceed \$16,297,300.00 from the state general fund/general purpose money for 1-time operations increase payments. These funds are intended to be used for the same purposes as the funds appropriated under section 236(2) for university operations.

(2) From the amount appropriated under subsection (1), each university is allocated the following:

- (a) Central Michigan University, \$938,200.00.
- (b) Eastern Michigan University, \$827,400.00.

- (c) Ferris State University, \$589,300.00.
- (d) Grand Valley State University, \$961,100.00.
- (e) Lake Superior State University, \$142,500.00.
- (f) Michigan State University, \$3,167,700.00.
- (g) Michigan Technological University, \$536,600.00.
- (h) Northern Michigan University, \$520,700.00.
- (i) Oakland University, \$719,600.00.
- (j) Saginaw Valley State University, \$336,900.00.
- (k) University of Michigan – Ann Arbor, \$3,552,800.00.
- (l) University of Michigan – Dearborn, \$310,500.00.
- (m) University of Michigan – Flint, \$260,100.00.
- (n) Wayne State University, \$2,239,500.00.
- (o) Western Michigan University, \$1,194,400.00.

(3) In addition to the funds appropriated in section 236(2) for MSU AgBioResearch, for fiscal year 2024-2025 only, there is appropriated an amount not to exceed \$385,200.00 from the state general fund/general purpose money for MSU AgBioResearch.

(4) In addition to the funds appropriated in section 236(2) for MSU Extension, for fiscal year 2024-2025 only, there is appropriated an amount not to exceed \$332,200.00 from the state general fund/general purpose money for MSU Extension.

Sec. 236f. For fiscal year 2023-2024 only, for purposes of the appropriation to the Michigan geological survey described in section 236(11) as amended by 2023 PA 103 and 2023 PA 320, costs related to the development, construction, and equipment purchases for a new facility include costs related to the development, construction, renovation, and equipment purchases for a new or existing facility.

Sec. 236j. (1) The postsecondary scholarship fund is created in the department of treasury for the purpose of providing scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state, as provided in subsection (5).

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

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

(4) The department of treasury shall be the administrator of the postsecondary scholarship fund for auditing purposes.

(5) Money must be expended from the postsecondary scholarship fund only for the purpose of providing Michigan achievement scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state **and for other purposes described in this section**. Not more than \$10,000,000.00 may be used by the department **of lifelong education, advancement, and potential** annually for the purposes of outreach and marketing programs as specified in section 248(9)-248.

(6) For the fiscal year ending September 30, 2024, ~~\$300,000,000.00~~ **2025, \$300,000,000.00 of ongoing funding and \$30,000,000.00 of 1-time funding** is deposited into the postsecondary scholarship fund from the state general fund/general purpose money.

(7) It is the intent of the legislature that the postsecondary scholarship fund serves as the primary funding source of the Michigan achievement scholarship. To ensure the Michigan achievement scholarship provides ongoing supports for students, it is the intent of the legislature to increase annual deposits into the postsecondary scholarship fund ~~by \$50,000,000.00 per year~~ until the fully implemented costs of the Michigan achievement scholarship are deposited annually into the postsecondary scholarship fund.

(8) In addition to the appropriations in section 236, if the amount of general fund allocated in section 236(7) is not sufficient to fully fund the awards under section 236(7), there is appropriated from the postsecondary scholarship fund the amount necessary to fully fund those awards. The state budget director shall provide written notification to the house and senate appropriations subcommittee on higher education and the house and senate fiscal agencies prior to any additional appropriation described in this subsection.

Sec. 236n. For fiscal year ~~2022-2023~~ **2023-2024** only, in addition to allocations under section 236(7) and (8), ~~\$2,500,000.00~~ **\$8,000,000.00** is allocated to the tuition incentive program, appropriated from federal revenues under the social security act, temporary assistance for needy families. The allocation in this section must be distributed in the same manner as funds for the tuition incentive program are distributed under section 256.

Sec. 236r. (1) Funds appropriated in section 236(14) for an education performance study must be used by the department of education to review, analyze, and provide recommendations based on the reports submitted under sections 217c and 275k. The study must be posted on the department of education's website.

(2) The department shall contract with at least 1 educational research institution based in this state to fulfill the requirements of this section. An entity that is a part of, owned by, or otherwise under the control of an authorizing body as that term is defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501, is not eligible to receive a contract under this subsection.

(3) It is the intent of the legislature that the superintendent of public instruction use the analysis developed under this section, the reports under sections 217c and 275k, and all other relevant available resources to inform a determination under section 502(5) of the revised school code, 1976 PA 451, MCL 380.502.

Sec. 241. Subject to sections 241a, 241b, 241c, 241e, and 244, the funds appropriated in sections 236 and 236d to public universities must be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2023–2024. Except for Wayne State University, each institution shall accrue its July and August 2024–2025 payments to its institutional fiscal year ending June 30, 2024–2025.

Sec. 241a. (1) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial aid program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data must be submitted to the state budget director by October 15 of each fiscal year. Public universities with a fiscal year ending September 30, 2023–shall submit preliminary HEIDI data by November 15, 2023–and final data by December 15, 2023–.

(2) It is intended that accountability reporting for public universities will be streamlined through HEIDI. The state budget director and the center will work to combine the reporting requirements outlined in this subsection with the existing HEIDI collection cycle. All of the following must be reported to the house and senate fiscal agencies and the state budget director:

(a) Each public university's certification of its compliance with the requirements described in subsections (4) and (5).

(b) The reporting requirements described in sections 241b and 241c.

(3) If a public university fails to submit HEIDI data and associated financial aid program information in accordance with the required reporting schedule, the state treasurer may withhold the monthly installments under section 241 to the public university until those data are submitted. If a public university does not comply with all of the requirements described in subsections (4) and (5) by the end of the fiscal year, the public university forfeits the amount withheld. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any public university.

(4) No later than October 15 each year, a public university shall maintain a public transparency website available through a link on its website homepage. The website must include all of the following concerning the public university:

(a) The annual operating budget and subsequent budget revisions.

(b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:

(i) A chart of personnel expenditures, broken into the following subcategories:

(A) Earnings and wages.

(B) Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits.

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under subsection (1), broken into the same subcategories in which it reported those data.

(c) Links to all of the following for the public university:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the public university.

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

- (d) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.
 - (e) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.
 - (f) The institution's policy regarding the transferability of core college courses between community colleges and the public university.
 - (g) A listing of all community colleges that have entered into reverse transfer agreements with the public university.
 - (h) A dashboard or report card demonstrating the public university's performance in several "best practice" measures. The dashboard or report card must include at least all of the following for the 3 most recent academic years for which the data are available:
 - (i) Enrollment.
 - (ii) Student retention rate.
 - (iii) Six-year graduation rates.
 - (iv) Number of Pell grant recipients and graduating Pell grant recipients.
 - (v) Geographic origination of students, categorized as in-state, out-of-state, and international.
 - (vi) Faculty to student ratios and total public university employee to student ratios.
 - (vii) Teaching load by faculty classification.
 - (viii) Graduation outcome rates, including employment and continuing education.
 - (i) An icon badge that provides statewide consistency and public visibility. For this purpose, public universities shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each public university's website.
 - (j) A collection and report of the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, reported to the center and posted on its website under the budget transparency icon badge.
 - (5) No later than October 15 each year, a public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing, at a minimum, all of the following information:
 - (a) Emergency contact numbers for police, fire, health, and other services.
 - (b) Hours, locations, telephone numbers, and email contacts for campus public safety offices and title IX offices.
 - (c) A list of safety and security services provided by the public university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.
 - (d) The public university's policies applicable to minors on university property.
 - (e) A directory of resources available at the public university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.
 - (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family", published in 2018.
 - (g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.
- Sec. 241c. (1) No later than the last business day of August each year, each public university that receives an appropriation in section 236 shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year ~~2023-2024~~ **2024-2025** as part of the public university's higher education institutional data inventory (HEIDI) data. A public university shall report any revisions for any semester of the reported academic year to HEIDI within 15 days of being adopted.
- (2) Payments under section 236 for operations increase and ~~per student floor funding under section 236d~~ must be made only to a public university that certifies to the state budget director by the last business day of August each year that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, ~~2022-2023~~ for the ~~2022-2023-2023-2024~~ academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the ~~2023-2024-2024-2025~~ academic year that is greater than 4.5% or ~~\$676.00, \$703.00~~, whichever is greater. **For the academic year 2025-2026, the tuition and fee restraint rate for resident undergraduate students is an increase of not greater than 4.5% or \$735.00, whichever is greater. It is the intent of the legislature that in the next fiscal year, the tuition and fee restraint rate will be adjusted only for the subsequent academic year.** As used in this subsection:
- (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A public university increasing a fee that applies to a

specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the ~~2023-2024~~**2024-2025** academic year to exceed the limit established in this subsection.

(b) “Tuition and fee rate” means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the public university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(3) Each public university must certify to the state budget director by the last business day of August each year that it complies with all of the following requirements:

(a) The public university participates in reverse transfer agreements described in section 286 with at least 3 community colleges in this state.

(b) The public university does not and will not apply any of the following criteria when determining whether credits earned outside the public university by a student count toward a degree or certificate program offered by the public university:

(i) Whether the credits were earned in a dual enrollment program that counted the credits toward high school graduation requirements.

(ii) Whether the credits were earned in a course that was delivered in a high school classroom, community college classroom or campus, or another location.

(iii) Whether the credits were earned in a course that was delivered online, in person, or hybrid.

(iv) Whether other students enrolled in the course in which the credits were earned were enrolled in high school or counted the course toward high school graduation requirements.

(c) The public university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(4) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase ~~or per-student floor funding and under section 236d~~ has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

Sec. 241e. (1) Payments under section 236 for operations increase and under section 236d must be made only to a public university that certifies to the state budget director by the last business day of August each year that it complies with the following:

(a) The institutional best practice described in subdivision (c).

(b) One or more of the institutional best practices described in subdivisions (d) to (g).

(c) The public university accepts the Michigan Transfer Agreement, partners with the Michigan Transfer Network, and promotes clear transfer pathways for interested students by doing all of the following:

(i) Has a policy to help transfer or accept associate degrees from other accredited Michigan postsecondary education institutions.

(ii) Publishes the policy described in subparagraph (i) on the institution’s website in an easily accessible way and in admissions materials.

(iii) Provides publicly available information on the Michigan Transfer Network, applicable transfer pathways, and financial aid available to transfer students, at no cost to the student.

(iv) Begins negotiations to increase the number of reverse transfer agreements or articulation agreements and reports on the progress toward completing the agreements to the state budget director by the last business day in February.

(d) The public university requires all students to receive an academic degree or certificate map that outlines required course sequencing, program and institution requirements, declared minor program academic requirements, and a recommended timeline within which courses should be taken and in which specific semester or term in order to satisfy all program requirements to allow the student to graduate on time.

(e) The public university provides non-credit-bearing developmental or remedial courses at a reduced cost to students.

(f) The public university provides each degree- or certificate-seeking student with a designated, trained academic advisor to support student retention, persistence, and completion. The public university shall require students to meet with their academic advisor at least once per semester or term.

(g) The public university provides employees during business hours to assist prospective and current students complete the Free Application for Federal Student Aid.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase and under section 236d has satisfied the institutional best practices requirements of this section. The state budget director has the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) If a public university fails to comply with the certification requirements of this section, the state treasurer may withhold the monthly installments under section 241 to the public university until the report is submitted. If a public university does not comply with the certification requirements described in this section by the end of the fiscal year, the public university forfeits the amount withheld. Forfeited funds must lapse to the fund from which the funds were appropriated. The state budget director shall notify the chairs of the house and senate appropriations subcommittees on higher education at least 10 days before withholding funds from any public university.

Sec. 244. By October 15 of each year, a public university receiving funds in section 236 shall provide its longitudinal data system data set for the preceding academic year to the center for inclusion in the statewide P-20 longitudinal data system described in section 94a. If the state budget director finds that a university has not complied with this section, the state budget director is authorized to withhold the monthly installments provided to that university under section 241 until he or she the state budget director finds that the university has complied with this section.

Sec. 247. (1) The funds appropriated in section 236 for Michigan reconnect must be distributed and administered by the department of lifelong education, advancement, and potential pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709, the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723, and the department's administrative procedures for Michigan reconnect.

(2) For fiscal year 2024-2025 only, after administering Michigan reconnect pursuant to subsection (1), the department may use any remaining funds appropriated in section 236 for Michigan reconnect for outreach, enrollment support, administration of the program, and grants to institutions of higher education or nonprofit organizations to provide support to reconnect eligible students to increase degree or credential completion.

Sec. 248. (1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248a, pursuant to the administrative procedures for Michigan achievement scholarships of the department.

(2) As used in this section:

(a) "Cost of attendance" means expenses for a student's tuition, mandatory fees, and contact hours for the student's actual program of study; books, supplies, and equipment required for courses of instruction; housing and food costs; transportation expenses; federal student loan fees; miscellaneous expenses, including a reasonable amount for the documented cost of a personal computer, allowance for child care, or allowance for other dependent care; costs related to a disability; costs of obtaining a license, certification, or first professional credential; and reasonable costs for study abroad programs.

(b) (a) "Department" means the department of treasury, lifelong education, advancement, and potential.

(c) (b) "Eligible institution" means a public university that receives an appropriation in section 236, a community college that receives an appropriation in section 201, a federally recognized tribal college in this state, or an independent nonprofit college or university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

(d) (c) "Gift aid" includes federal Pell grants under 20 USC 1070a, tuition incentive program benefits under section 256, state tuition grants under section 252, awards received for minimum payments awarded in subsection (4), higher education expenses paid under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other federal, state, local, or institutional aid in the form of grants, scholarships, or discounts applied toward tuition and mandatory fees. Gift aid does not include student loans, work-study awards, qualified withdrawals made from education savings accounts to pay higher education expenses pursuant to the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442.

(e) (d) "High school equivalency certificate" means that term as defined in section 4.

(f) "Last-dollar payment amount" means 1 of the following:

(i) For a student attending a community college or federally recognized tribal college, an amount equal to the student's tuition, mandatory fees, and contact hours for the student's actual program of study, minus all gift aid received by the student.

(ii) For a student attending a public university or an independent nonprofit college or university, or for a student enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, an amount equal to the student's individual cost of attendance, minus all gift aid received by the student.

(g) "Minimum payment" means a payment for any eligible cost within the student's individual cost of attendance. The minimum payment must be awarded as a separate payment not included in the student's need-based financial aid. The minimum payment must not be reduced.

(h) "SAI eligible student" means a student who has completed the Free Application for Federal Student Aid and meets at least 1 of the following:

(i) For awards made during academic year 2023-2024, has an expected family contribution of \$25,000.00 or less. An individual is considered to have met the requirements of subsection (4) if the individual received the Michigan achievement scholarship in academic year 2023-2024, was determined to have an expected family contribution of \$25,000.00 or less in academic year 2023-2024, and has completed the Free Application for Federal Student Aid for the subsequent award cycles.

(ii) For awards made during academic year 2024-2025 or a subsequent academic year, has completed the Free Application for Federal Student Aid and has a student aid index number of 1 of the following, as applicable:

(A) For a student indicating on the student's Free Application for Federal Student Aid that the student is the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, \$30,000.00 or less.

(B) For a student indicating on the student's Free Application for Federal Student Aid that the student is not the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, the greater of the number described in sub-subparagraph (A) or guidance determined by the department. For the purposes of this sub-subparagraph, the department, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student aid index number or may issue administrative guidance for the student aid index eligibility of students with more than 1 member of the student's household or the student's parents' household attending a postsecondary institution during that academic year. It is intended that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student's household or student's parents' household attending postsecondary institutions. It is further intended that the legislature and executive branch work collaboratively to use Michigan achievement scholarship uptake and other relevant data to establish a more permanent measure of financial need for the Michigan achievement scholarship for subsequent academic years.

(3) An individual must meet all of the following criteria and financial thresholds each year to be eligible for a Michigan achievement scholarship awarded under this section:

(a) Be a resident of this state for at least the immediately preceding year. **Maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.**

(b) Have graduated from high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.

(c) Be a full-time undergraduate student at an eligible institution, as defined by that eligible institution, and be a first-time enrollee in an eligible institution during the 2023-2024 academic year, or a subsequent academic year, within 15 months after high school graduation or attainment of a high school equivalency certificate or have received a Michigan achievement scholarship in a previous academic year. For the purposes of this subdivision, participation in a dual enrollment, early college, or other similar program while attending high school does not disqualify a student from being considered a first-time enrollee.

(d) Maintain satisfactory academic progress, as defined by the eligible institution in which the student is enrolled.

(e) ~~Not be incarcerated in a corrections institution.~~

(e) ~~(f)~~ Not be in default on a federal student loan.

(g) For awards made during academic year 2023-2024, complete the Free Application for Federal Student Aid and have an expected family contribution of \$25,000.00 or less. For awards made during academic year 2024-2025 or a subsequent academic year, except as otherwise provided in this subdivision and subdivision (h), complete the Free Application for Federal Student Aid and have a student aid index number of 1 of the following, as applicable:

(i) For a student indicating on the student's Free Application for Federal Student Aid that the student is the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, \$30,000.00 or less.

(ii) For a student indicating on the student's Free Application for Federal Student Aid that the student is not the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, the greater of the number described in subparagraph (i) or a number determined by the department of treasury. For the purposes of this subparagraph, the department of treasury, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student aid index number or may issue administrative guidance for the student aid index eligibility of students with more than 1 member of the student's household or the student's parents' household attending a postsecondary institution during that academic year. It is the intent of the legislature that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student's household or the student's parents' household in college.

(h) For the purpose of determining eligibility under subdivision (g), an individual is considered to have met the requirements of subdivision (g) if the individual received the Michigan achievement scholarship in academic year 2023-2024, was determined to have an expected family contribution of \$25,000.00 or less in academic year 2023-2024, and has completed the Free Application for Federal Student Aid for the subsequent award cycles.

(i) The legislature finds and declares that the student aid index thresholds in subdivision (g) are temporary and intended to apply only for academic year 2024-2025. It is the intent of the legislature that the legislature and executive branch work collaboratively to use Michigan achievement scholarship uptake and other relevant data to establish a more permanent measure of financial need for the Michigan achievement scholarship for subsequent academic years.

(f) (j) Apply for all available gift aid for each academic year in which the individual applies for a Michigan achievement scholarship.

(g) **A student who is enrolled at an eligible institution that is a public university or an independent nonprofit college or university, or who is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, at an eligible institution, be an SAI eligible student.**

(4) Michigan achievement scholarships are subject to all of the following: **The amount awarded to an eligible student at an eligible institution must equal 1 of the following, as applicable:**

(a) Subject to section 248a(3)(f)(i), an eligible student may receive an award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this subsection and section 248a(3)(f)(i) during the same academic year. **The amount awarded to an eligible student who is enrolled at an eligible institution that is a community college or federally recognized tribal college where the student is eligible for that institution's in-district tuition rate must be equal to the sum of the last-dollar payment amount. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of \$1,000.00.**

(b) The amount awarded to an eligible student **who is enrolled** at an eligible institution that is a community college or federally recognized tribal college **must equal the sum of following: where the student is not eligible for that institution's in-district tuition rate must be the lesser of the last-dollar payment amount, or the in-district tuition rate. The amount awarded to an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must include an additional amount of \$1,000.00.**

(i) A minimum payment of \$1,750.00, which is comprised of a base payment of \$1,000.00 plus an additional payment of \$750.00.

(ii) The lesser of \$1,000.00 or the student's last-dollar payment amount.

(c) The amount awarded to an eligible student **who is enrolled** at an eligible institution that is a public university or is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, **at an eligible institution** must equal the sum of following:

(i) A minimum payment of \$2,500.00. ~~which is comprised of a base payment of \$1,000.00 plus an additional payment of \$1,500.00.~~

(ii) The lesser of \$3,000.00 or the student's last-dollar payment amount.

(d) The amount awarded to an eligible student at an eligible institution that is an independent nonprofit college or university must equal the sum of the following:

(i) A minimum payment of ~~\$1,000.00~~ **\$2,500.00.**

(ii) The lesser of \$3,000.00 or the student's last-dollar payment amount.

(e) Money awarded under this subsection for a Michigan achievement scholarship must be paid to the eligible institution for credit to the student's account.

(f) As used in this subsection:

(i) “Last dollar payment amount” means an amount equal to the tuition, mandatory fees, and contact hours for each student’s actual program of study, minus all gift aid received by the student.

(ii) “Minimum payment” means a payment eligible for any cost within the student’s individual cost of attendance. The minimum payment must be awarded as a separate payment not included in the student’s need-based financial aid. The minimum payment must not be reduced.

(5) Subject to section 248a(3)(f)(i), an eligible student may receive a Michigan achievement scholarship award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this section and section 248a(3)(f)(i) during the same academic year.

(6) (5)-The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(7) (6)-From the funds appropriated in section 236(7) for the Michigan achievement scholarships, the department may not use more than \$10,000,000.00 for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship described in this section and section 248a and shall ensure that Michigan achievement scholarships are well publicized and that high school students are provided information on the program. The department may receive and expend funds received from outside sources for scholarships, marketing, or other purposes related to the Michigan achievement scholarship. The department shall provide the necessary funding and staff to fully operate the program.

(8) (7)-The department shall convene a workgroup during the fiscal year ending September 30, 2024 to consider and advise the department on implementing policies for administering the Michigan achievement scholarship. The workgroup shall include participation from the Michigan Association of State Universities and its institutional members, the Michigan College Access Network, the Michigan Community College Association and its institutional members, the Michigan Independent Colleges and Universities and its institutional members, and any other interested stakeholders and offices as determined by the department. The workgroup shall make recommendations on packaging order, packaging structure, definitions of terms not otherwise defined in statute, and other administrative regulatory requirements as necessary to implement the Michigan achievement scholarship.

(9) (8)-The following reporting obligations apply to the Michigan achievement scholarship program:

(a) By ~~May 1 and December 1~~ **February 15** of each year, the department shall provide a written report, organized by eligible institution, to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director that includes the following information for the previous academic year:

(i) The number of students who qualified for a Michigan achievement scholarship.

(ii) The number of students who received a Michigan achievement scholarship.

(iii) The average number of credits earned by students who received a Michigan achievement scholarship.

(iv) The number of Michigan achievement scholarships that were canceled due to failure to maintain satisfactory academic progress ~~under as described in~~ subsection (3)(d).

(v) The number of Michigan achievement scholarships that were canceled due to a student ceasing attendance at an eligible institution. The number must not include any known transfers to another eligible institution.

(vi) The number of Michigan achievement scholarships that were canceled due to a student’s failure to maintain full-time status.

(vii) The average Michigan achievement scholarship award per student, delineated by sector, including community colleges, tribal colleges, public universities, independent colleges and universities, and training institutions. As used in this subparagraph, “training institutions” means training institutions accepted to participate in the Michigan achievement scholarship program under section 248a.

(b) Each eligible institution whose students receive awards under this section shall cooperate with the department in a timely manner to facilitate the creation of the report under subdivision (a).

(10) (9) Beginning April 1, 2024, by April 1 of each year, each eligible institution shall submit a report to the department, the state budget office, and the house and senate fiscal agencies providing information as to the total institutional grant aid per full-year equated undergraduate student for the current institution fiscal year ~~and average amount of institutional grant aid awarded to full-time first-time undergraduate students~~ for the immediately preceding 3-2 institution fiscal years. ~~If the institution does not maintain total institutional grant aid per full-year equated undergraduate student at the average amount provided over the immediately preceding 3 institution fiscal years,~~ **If the average amount of institutional grant aid awarded to full-time first-time undergraduate students in fiscal year 2023-2024 is less than the average amount**

of institutional grant aid awarded to full-time first-time undergraduate students in fiscal year 2022-2023, the institution must include in the report a description of **any** changes to **the institutional finances or the student population that prevented the institution from maintaining support for institutional aid. financial aid during the 2 immediately preceding fiscal years.** An institution's report of total institutional grant aid per full-year equated undergraduate student ~~the average amount of institutional grant aid awarded to full-time first-time undergraduate students~~ pursuant to this subdivision-subsection must be consistent with data most recently reported to the Integrated Postsecondary Education Data System.

(11) (10)-For each fiscal year, an eligible institution ~~becomes ineligible for funding under this section if, in the immediately preceding fiscal year, the institution exceeds 1 of~~ **must maintain and report its compliance** with the following tuition restraint requirements, as applicable:

(a) For an eligible institution that is a community college, the tuition restraint described in section 217b.

(b) For an eligible institution that is a public university or independent nonprofit college or university, the tuition restraint described in section 241c.

(12) The state budget director shall implement reporting requirements to ensure that an eligible institution has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if an eligible institution has met the requirements of this section.

(13) If an eligible institution exceeds the applicable tuition restraint level for 2 consecutive years, the state budget director may consider the institution ineligible for funding under this section in the subsequent academic year.

(14) If an institution is considered ineligible for funding under this section, the state budget director must reevaluate the status of the ineligible institution after 1 academic year.

(15) (11)-It is the intent of the legislature that an eligible institution will not make reductive changes to scholarship or financial aid programs offered by that eligible institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

Sec. 248a. (1) The funds appropriated in section 236 for Michigan achievement scholarships must be distributed as provided in this section and section 248, pursuant to the administrative procedures for Michigan achievement scholarship private training program of the department.

(2) As used in this section:

(a) "Department" means the department of ~~labor and economic opportunity.~~ **lifelong education, advancement, and potential.**

(b) "High school equivalency certificate" means that term as defined in section 4.

(c) "Qualified occupational training program" means that term as defined in section 13 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713, **or a program that provides not less than 150 clock hours of instructional time over a period of not less than 8 weeks in career-oriented skilled trades instruction in maritime trades, at an independent nonprofit institution incorporated in this state that is nationally accredited and approved for federal financial aid.**

(3) The department shall do all of the following:

(a) Develop and implement a process by which those seeking to participate in the Michigan achievement scholarship private training program as training institutions offering qualified occupational training programs must apply to the department.

(b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria to qualify as a qualified occupational training program, and post these criteria to the department's website.

(c) Ensure that an applicant under subdivision (a) is first included on this state's eligible training provider list before each of the applicant's programs receives separate approval from the department as being a qualified occupational training program.

(d) Require that training institutions accepted to participate in the Michigan achievement scholarship private training program comply with data requests from the department as a condition of continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this section to provide data that tracks relevant work experience required to verify a student's status as an apprentice.

(e) Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.

(f) Award skills scholarships, subject to all of the following:

(i) A skills scholarship is a grant not to exceed \$2,000.00 per year to contribute to tuition costs for a qualified occupational training program at a training institution, both of which are approved under this section, for a training program participant who meets the requirements of subparagraph (ii). A skills scholarship must not exceed the full amount of the tuition charged for the training program. A program participant may receive a skills scholarship under this section for a maximum of 2 academic years.

(ii) To receive the skills scholarship described in subparagraph (i), a qualified occupational training program participant must meet all of the following:

- (A) Be a resident of this state for at least the immediately preceding year.
- (B) Have graduated from a high school in this state with a diploma or certificate of completion or achieved a high school equivalency certificate in 2023 or after.
- (C) Not have previously earned an associate or baccalaureate degree.
- (D) Not have previously earned a degree, certificate, or other credential using a skills scholarship awarded under this section.

(E) Timely complete a Michigan achievement scholarship private training program skills scholarship application in a form and manner determined by the department.

(iii) The department may award skills scholarships under this section only until money appropriated to the Michigan achievement scholarship private training program has been fully committed.

(g) Inform each recipient of a skills scholarship that the recipient will remain eligible for the Michigan achievement scholarship under section 248 for a maximum of 5 years, less any years of eligibility used for a skills scholarship awarded under this section, to pursue an associate degree, baccalaureate degree, or occupational certificate upon completion of a certification course of study in a qualified occupational training program.

(4) Except as otherwise provided in subsection (5), the department shall promulgate rules to implement subsection (3)(a), (b), and (d) only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:

(a) Under subsection (3)(a), the department is limited to developing the form for the application described in subsection (3)(a) and prescribing the time and manner of its completion.

(b) Under subsection (3)(b), the department is limited to applying the eligibility criteria described in subsection (3)(b) and shall not apply any other eligibility criteria.

(c) Under subsection (3)(d), the department is limited to requiring compliance with data requests as described in subsection (3)(d).

(5) To facilitate implementation of the Michigan achievement scholarship private training program prior to final rules being adopted, the department may develop and administer the program in accordance with its proposed rules or other policy or directive of the department established pursuant to this section.

(6) It is the intent of the legislature that a training institution will not make changes to scholarship or financial aid programs offered by that training institution that have the goal or net effect of shifting the cost burden of those programs to the program described in this section.

Sec. 250. To be considered eligible for any scholarship or grant financial aid program administered by the department of ~~treasury~~, **lifelong education, advancement, and potential**, the student must file the Free Application for Federal Student Aid (FAFSA) annually, **unless annual filing is not required by the department**.

Sec. 251. (1) Payments of the amounts included in section 236 for the state competitive scholarship program must be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall determine an actual state competitive scholarship award per student, which must be \$1,500.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish an award amount equal to \$1,500.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$1,500.00 award amount. For the purpose of determining a student's financial need under section 6 of 1964 PA 208, MCL 390.976, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall presume that a student who receives a Michigan achievement scholarship under section ~~248(4)(b) or (c)~~ **248** has no need for a state competitive scholarship under this section. It is the intent of the legislature that 1964 PA 208, MCL 390.971 to 390.981, will be amended to end competitive scholarship eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2023, as those students may be eligible for the Michigan achievement scholarship.

(3) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

(4) ~~If a student who receives an award under this section has the student's tuition, contact hours, and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.~~

(4) (5) If the department of ~~treasury~~ **lifelong education, advancement, and potential** increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the award must be proportional for all eligible students receiving awards.

(5) (6) Veterans Administration benefits must not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program must be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards must be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6) and (7), the department of ~~treasury~~ **lifelong education, advancement, and potential** shall determine an actual tuition grant award per student, which must be \$3,000.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish an award amount equal to \$3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$3,000.00 award amount. If the department determines that sufficient funds are available to establish an award amount equal to \$3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the award amount established and the projected amount of any projected year-end appropriation balance based on that award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions must be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students must be notified of the adjustment by March 4 of each year. **Subject to subsection (9), for the purposes of determining a student's financial need under 1966 PA 313, MCL 390.991 to 390.997a, the department of lifelong education, advancement, and potential shall presume that a student who is eligible for the Michigan tuition grant for the first time during academic year 2024-2025 or any subsequent year, has no need for a state tuition grant under this section. It is the intent of the legislature that 1966 PA 313, MCL 390.991 to 390.997a, will be amended to end tuition grant eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2024, as those students may be eligible for the Michigan achievement scholarship.**

(4) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall continue a proportional tuition grant award level for recipients enrolled less than full-time in a given semester or term.

(5) If the department of ~~treasury~~ **lifelong education, advancement, and potential** increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant must be proportional for all eligible students receiving awards for that fiscal year.

(6) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall not award more than \$5,000,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the grant must be proportional for all eligible students enrolled in that college or university, as determined by the department.

(7) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of ~~treasury~~ **lifelong education, advancement, and potential**, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(8) By February 1 of each year, each independent college and university participating in the tuition grant program shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public

safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

(9) A student who received a scholarship under this section prior to the academic year 2024-2025 may continue to receive a tuition grant award under this section provided that the student meets all other criteria required for the receipt of a tuition grant award.

Sec. 253. The auditor general may audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards that are administered by the department of ~~treasury~~-**lifelong education, advancement, and potential**. The audits shall ~~must~~ be based upon ~~on~~ definitions and requirements established by the department of ~~treasury~~-**lifelong education, advancement, and potential**, the state budget director, and the senate and house fiscal agencies. The auditor general shall accept the Free Application for Federal Student Aid (FAFSA) form as the standard of residency documentation.

Sec. 254. The sums appropriated in section 236 for the state competitive scholarship, tuition incentive, and tuition grant, **Michigan reconnect, and Michigan achievement scholarship** programs must be paid out of the state treasury and must be distributed to the respective institutions under a quarterly payment system as follows:

(a) For the state competitive scholarship and tuition grant programs, 50% must be paid at the beginning of the state's first fiscal quarter, 30% during the state's second fiscal quarter, 10% during the state's third fiscal quarter, and 10% during the state's fourth fiscal quarter.

(b) For the tuition incentive program, **Michigan reconnect**, and Michigan achievement scholarship, 65% must be paid at the beginning of the state's first fiscal quarter, and 35% during the state's second fiscal quarter.

Sec. 255. The department of ~~treasury~~-**lifelong education, advancement, and potential** shall determine the needs analysis criteria for students to qualify for the state competitive scholarship program and tuition grant program. To be consistent with federal requirements, the department of ~~treasury~~-**lifelong education, advancement, and potential** may take student wages into consideration when determining the amount of the award.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of ~~treasury~~-**lifelong education, advancement, and potential**.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of ~~treasury~~-**lifelong education, advancement, and potential**.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual must meet all of the following criteria:

(i) Be less than 20 years of age at the time the individual graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when the individual graduates from high school.

(ii) Be a United States citizen and ~~a resident of this state according to institutional criteria~~. **maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.**

(iii) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

(iv) Meet the satisfactory academic progress policy of the educational institution attended by the individual.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if the individual was eligible for Medicaid from this state for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution. The department shall not do either of the following:

(i) Adopt or apply any total semester-credit or term-credit maximum that is less than the 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(ii) Adopt or apply any per-semester or per-term credit maximum for a student whose semester-credit or term-credit load will not result in exceeding the total 80 semester-credit or 120 term-credit maximum provided in this subdivision.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported by the last business day of August for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(8) The department shall notify students of their financial eligibility for the program any time after the student begins sixth grade.

(9) Except as otherwise provided in sections 13(c) and 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713 and 390.1717, each institution shall ensure that all known available restricted grants for tuition and fees are used before billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) The department shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) If a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Sec. 258. By February 15 of each year, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall post to its publicly available website a report for the preceding fiscal year on all student financial aid programs for which funds are appropriated in section 236. For each student financial aid program, the report ~~shall~~ **must** include, but is not limited to, the total number of awards paid in the preceding fiscal year, the total dollar amount of those awards, and the number of students receiving awards and the total amount of those awards at each eligible postsecondary institution. To the extent information is available, the report ~~shall~~ **must** also include information on household income and other demographic characteristics of students receiving awards under each program and historical information on the number of awards and total award amounts for each program.

Sec. 259. The department of ~~treasury~~ **lifelong education, advancement, and potential** shall continue an aggressive campaign to inform high school students about the financial aid programs offered by this state and the eligibility requirements for participation in those financial aid programs, including free or reduced tuition programs provided by community colleges and universities in this state.

Sec. 260. (1) The department of ~~treasury~~ **lifelong education, advancement, and potential** shall work with student and postsecondary education groups, including the Michigan College Access Network, the Michigan Association of School Counselors, the Michigan Association of State Universities, the Michigan Community College Association, and the Michigan Independent Colleges and Universities, to provide and update an online informational resource for students in grades 9 through 12 and prospective and current students and families. The online informational resource must be a website or a portion of an existing website titled "Paying for College in Michigan" and designed and maintained by the department of ~~treasury~~ **lifelong education, advancement, and potential** that, to the extent practicable, contains information, including, but not limited to, all of the following:

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that provides free information and services for student loan borrowers to help educate them about repayment options and to help them access student loan programs or benefits for which they may be eligible.

(b) Links to state and federal financial aid programs, including FAFSA and College Scorecard.

(c) Links to each promise zone website and the financial aid website to each community college, public university, and independent college and university in this state.

(d) Benefits of federal student loans that may no longer be available if a borrower refinances a loan.

(e) Direct links to net price calculators for each community college receiving an appropriation in section 201 and each public university receiving an appropriation in section 236.

(f) Definitions that clearly delineate the differences between scholarships, grants, and loans.

(g) A description of net price calculators and how to use them to create a personalized estimate of a student's out-of-pocket cost for the coming year based on basic family and financial information and likely financial aid eligibility.

(h) Information on the fundamentals of borrowing and repayment, including, but not limited to, all of the following:

(i) A link to the federal Public Service Loan Forgiveness Program or other state or federal loan forgiveness programs.

(ii) Deciding how much to borrow.

(iii) Creating a plan for borrowing and repayment.

(iv) Estimating how much borrowing is needed for a given school year.

(v) Factors that affect total student loan costs.

(vi) Tips for graduating with less student loan debt.

(vii) A loan payment calculator or a link to a loan payment calculator that can be used for different types of loans.

(viii) Links to federal student loan entrance and exit counseling services and the FACT tool.

(ix) Student loan debt relief scams.

(i) Loan amortization information.

(2) A public university receiving an appropriation in section 236 shall place a prominent link to the website created under this section on its website homepage.

(3) Independent colleges and universities in this state are encouraged to place a link to the website created under this section on their website homepages.

(4) By November 1 of each year, the department of ~~treasury~~ **lifelong education, advancement, and potential** shall inform each high school in this state about the website described in this section and encourage them to distribute the information to all students in grades 9 through 12.

(5) The department shall audit the website not less than once per year to ensure links continue to be accurate, active, and up-to-date for students and families.

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2023-2024~~**2024-2025** for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEN and its program priorities.

Sec. 263a. (1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

(2) The report required under subsection (1) must include all of the following:

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and a specific accounting of Project GREEN and the ~~SEEDSS Initiative~~**Agricultural Climate Resiliency Program** expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:

(i) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.

(ii) The number of individuals utilizing MSU Extension's educational services.

(iii) External funds generated in support of research and extension.

(iv) Efforts to improve access to healthy foods for Michigan consumers.

Sec. 263b. Included in the appropriation in section 236 for fiscal year ~~2023-2024~~**2024-2025** for MSU AgBioResearch and MSU Extension is funding for the ~~SEEDSS Initiative~~**Agricultural Climate Resiliency Program**. The ~~SEEDSS Initiative~~**Agricultural Climate Resiliency Program** is intended to address environmental sustainability of Michigan agriculture and ~~enhance efforts to educate agricultural workers on improving agricultural environmental sustainability.~~**"SEEDSS" is an acronym for Solving Emerging Environmental Developments and Securing Sustainability.** ~~promote the protection and efficient use of Michigan's water resources.~~

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2023-2024~~**2024-2025** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation must not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 268. (1) For the fiscal year ending September 30, ~~2024-~~**2025**, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By January 15 of each year, the department of ~~civil rights~~**lifelong education, advancement, and potential** shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each public university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of North American Indian students who receive a granted waiver for the previous academic year.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the public university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(v) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully transfer to a 4-year public or private university, or complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) By January 1 of each year, a public university that receives an appropriation in section 236, or a tribal college receiving pass-through funds under section 269 or 270c, shall provide to the department of ~~civil rights~~ **lifelong education, advancement, and potential** any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of ~~civil rights~~ **lifelong education, advancement, and potential**.

(4) The department of ~~civil rights~~ **lifelong education, advancement, and potential** may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for public universities and data for community colleges.

Sec. 269. For fiscal year ~~2023-2024~~, **2024-2025**, from the amount appropriated in section 236 to Central Michigan University for costs incurred under the North American Indian tuition waiver, ~~\$63,200.00~~ **\$76,300.00** must be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal College provide the department of ~~civil rights~~ **lifelong education, advancement, and potential** the necessary information for the college to be included in the report required under section 268.

Sec. 270. For fiscal year **2024-2025**, from the amount appropriated in section 236 to Lake Superior State University for costs incurred under the North American Indian tuition waiver, **\$498,800.00** must be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Bay Mills Community College provide the department of **lifelong education, advancement, and potential** the necessary information for the college to be included in the report required under section 268.

Sec. 270c. For fiscal year ~~2023-2024~~, **2024-2025**, from the amount appropriated in section 236 to Northern Michigan University for costs incurred under the North American Indian tuition waiver, ~~\$90,200.00~~ **\$155,200.00** is to be paid to Keweenaw Bay Ojibwa Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa Community College provide the department of ~~civil rights~~ **lifelong education, advancement, and potential** the necessary information for the community college to be included in the report required under section 268.

Sec. 275b. (1) Each public university receiving an appropriation in section 236 shall ensure that the public university does all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:

(a) Inform the applicant that ~~he or she~~ **the applicant** may receive academic credit for college-level training and education ~~he or she~~ **the applicant** received while serving in the military.

(b) Inform the applicant that ~~he or she~~ **the applicant** may submit a transcript of ~~his or her~~ **the applicant's** college-level military training and education to the public university.

(c) If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the public university for ~~his or her~~ **the applicant's** college-level military training and education.

(d) Inform the applicant of college level equivalent credit examination opportunities.

(2) As used in this section, "transcript" includes a joint services transcript prepared for the applicant under the American council on education registry of credit recommendations.

Sec. 275k. (1) Not later than December 1 of each year, each university that receives an appropriation in section 236 that, in the current or previous academic year, serves or has served as an authorizing body ~~as that term is defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501~~, shall submit a report to the house and senate appropriations ~~committees~~ **subcommittees on higher education, the house and senate fiscal agencies, the state budget director**, and the department of education containing, at a minimum, all of the following information, as applicable:

(a) A list of all of the schools currently authorized, and the following information for each school:

(i) The year in which the school was authorized.

(ii) The location of each school.

(iii) The owner of the property at which each school is located and the physical buildings utilized by the school, as applicable.

(b) A list identifying any schools that were closed or lost their authorization in the current or previous academic year.

(c) A description of any new contracts for the operation of a public school academy that will operate as the successor to a public school academy that is currently being operated under a contract issued by another authorizing body that is currently performing in the bottom 5% of schools.

(d) The academic performance of each school currently authorized, including whether a school is identified by the department of education as a partnership school. **If a school is identified as a partnership school under this subdivision, the authorizing body must include a description of corrective actions in the school's partnership agreement, the duration of the partnership agreement, and an assessment of progress toward improvement.**

(e) The total enrollment of each school at the time of submission, the grades served, and student turnover rate compared to the previous academic year, as applicable.

(f) Aggregated student enrollment data for students with an individualized education program as well as the total amount of special education cost reimbursements received by each school during the school's most recently completed fiscal year.

(g) (f)-The total number of fees, reimbursements, contributions, or charges permitted under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, that are assigned to each school currently authorized in a single academic year.

(h) (g)-The names of the members of the board of directors of each school currently authorized and the date that each member of each board was appointed, **and a description of the methodology used by the authorizing body to select members for the boards of directors for each school currently authorized by the authorizing body.**

(i) (h)-The name of the applicant who applied and received approval to organize each currently authorized school.

(j) (i)-The list of contracts and length of their terms, with education service providers associated with each school currently authorized pursuant to section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable. The contracts described in this subdivision include, but are not limited to, those described in section 502(2)(d) of the revised school code, 1976 PA 451, MCL 380.502.

(k) (j)-Activities undertaken by each university to ensure that the board of directors of each school complies with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and laws prohibiting conflicts of interest.

(l) (k)-A description of the activities undertaken by the university to meet the functions of an authorizing body under section 502 of the revised school code, 1976 PA 451, MCL 380.502, as applicable.

(m) A financial report of the authorizing body's use of fees, reimbursements, contributions, or charges collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502. This report must include all of the following, at a minimum:

(i) The total amount of fees collected or retained under section 502(6) of the revised school code, 1976 PA 451, MCL 380.502, by the authorizing body for the authorizing body's most recent fiscal year.

(ii) The amount of funds reported under subparagraph (i) that were spent on compensation for faculty and staff employed primarily to meet the functions of an authorizing body. For the purpose of this subparagraph, an employee is presumed to be primarily employed to meet the functions of an authorizing body if that employee spends more than 50% of the employee's time on those activities.

(iii) The number of positions, organized by job title, associated with expenditures reported under subparagraph (ii).

(iv) The amount of funds reported under subparagraph (i) that were spent on contractual services to meet the functions of an authorizing body.

(v) The amount of funds reported under subparagraph (i) that were spent on other overhead costs to meet the functions of an authorizing body.

(vi) The amount of funds reported under subparagraph (i) that were transferred to another operating unit within the university.

(vii) The amount of funds reported under subparagraph (i) that were spent on activities other than functioning as an authorizing body, including a list of those activities and the amount associated with each activity.

(n) An executive summary section that provides relevant summary data for reporting requirements under subdivisions (a) to (m).

(2) A report submitted under this section must be in a format that meets accessibility standards for viewing on the internet under the Americans with disabilities act of 1990, Public Law 101-336.

(3) (2) The department of education shall compile and publish on its website the reports required in this section. A report submitted under this section must be published and updated through a link on the homepage of the public university's website.

(4) As used in this section, "authorizing body" means that term as defined in section 501 of the revised school code, 1976 PA 451, MCL 380.501.

Sec. 275m. (1) Each public university that receives an appropriation in section 236 and requires students to reside on campus for any amount of time shall report all of the following:

(a) Whether the university requires any students to reside on campus as a condition of enrollment at that university.

(b) A summary of any policy or policies requiring students to reside on campus, if applicable.

(c) The average charge for room and board at the university for the current academic year. The average charge under this subdivision must be calculated based on the accommodation and meal plan that is most commonly selected by students subject to a policy reported under subdivision (b).

(d) The average charge for room and board for the accommodation and meal plan selection reported in subdivision (c) for the previous 5 academic years. If the accommodation and meal plan reported under subdivision (c) was not offered in a previous academic year, the university shall report the charge for a similar alternative instead.

(2) Each public university required to submit a report under subsection (1) shall submit that report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the director of the department of lifelong education, advancement, and potential by November 30 of each year.

Sec. 276. (1) Included in the appropriation for fiscal year ~~2023-2024~~ **2024-2025** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty **fellowship** program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty or administration careers in postsecondary education in this state. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student, faculty, or administration populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty **fellowship** program.

(2) Each public university shall administer the program in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a good-faith effort standard to evaluate whether a fellowship is in default. All of the following apply to the program:

(a) By June 15 of each year, public universities shall report any anticipated unexpended or unencumbered program funds to the department of labor and economic opportunity. Encumbered funds are those funds that were committed by a fellowship agreement that is signed during the current fiscal year or administrative expenses that have been approved by the department of labor and economic opportunity.

(b) Before September 1 of each year, unexpended or unencumbered funds may be transferred, under the direction of the department of labor and economic opportunity, to a future faculty **fellowship** program at another public university to be awarded to an eligible candidate at that public university.

(c) Program allocations not expended or encumbered by September 30, ~~2025-2026~~ must be returned to the department of labor and economic opportunity so that those funds may lapse to the state general fund.

(d) Not more than 5% of each public university's allocation for the program may be used for administration of the program.

(e) In addition to the appropriation for fiscal year ~~2023-2024~~ **2024-2025**, any revenue received during prior fiscal years by the department of labor and economic opportunity from defaulted fellowship agreements is appropriated for the purposes originally intended.

Sec. 277. (1) Included in the appropriation for fiscal year ~~2023-2024~~ **2024-2025** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university must include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds must not be expended to cover indirect costs. Not more than 20% of the university match may be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) Each public university shall administer the program described in this section in a manner prescribed by the department of labor and economic opportunity.

Sec. 278. (1) Included in the appropriation for fiscal year ~~2023-2024~~ **2024-2025** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution must not be greater than \$150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

Sec. 279. (1) Included in the appropriation for fiscal year ~~2023-2024~~ **2024-2025** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants must be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution must not be greater than \$150,000.00, must have an award period of no more than 2 years, and must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program described in this section.

Sec. 280. (1) Included in the appropriation for fiscal year ~~2023-2024~~ **2024-2025** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program, which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The department of labor and economic opportunity shall administer the program described in this section.

(3) The amount allocated to each public university is ~~\$11,019.00~~ **\$11,184.00** and is subject to an award period of no more than 2 years. Each public university receiving funds for fiscal year ~~2023-2024~~ **2024-2025** under this section shall report to the department of labor and economic opportunity by April 15, ~~2024~~ **2025** the amount of its unobligated and unexpended funds as of March 31, ~~2024~~ **2025** and a plan to expend the remaining funds by the end of the fiscal year. The amount of funding reported as not being expended may be transferred, under the direction of the department, to another public university for use under this section.

Sec. 281. (1) Included in the appropriation for fiscal year ~~2023-2024~~ **2024-2025** for each public university in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level and teach in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section must be administered by each state-approved teacher education institution in a manner prescribed by the department of labor and economic opportunity.

(3) Approved teacher education institutions may and are encouraged to use select student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 282. (1) Each institution receiving funds for fiscal year ~~2023-2024~~ **2024-2025** under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, ~~2024~~ **2025** the unobligated and unexpended funds as of March 31, ~~2024~~ **2025** and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

(2) Funds received for the purpose of administering programs under sections 278, 279, and 281 must not be used for direct financial aid or indirect financial aid. However, a public university may provide academic incentives to motivate participating students as approved by the department. As used in this subsection:

(a) "Direct financial aid" includes, but is not limited to, scholarships, payment of tuition, stipends, and work-studies.

(b) "Indirect financial aid" includes, but is not limited to, transportation, textbook allowances, child care support, and assistance with medical premiums or expenses.

Sec. 287. **Not later than the first business day of January of each year, the center shall work with the department of lifelong education, advancement, and potential to collect and publish the average cost of attendance data for full-time first-time students from the federal Integrated Postsecondary Education Data System (IPEDS) for each community college that receives an appropriation in section 201, each federally recognized tribal college in this state, each public university that receives an appropriation in section 236, and each independent nonprofit college or university in this state as described in section 1 of 1966 PA 313, MCL 390.991, using the most recently released data from IPEDS.**

Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act from state sources for fiscal year 2023-2024 is estimated at \$19,367,907,800.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2023-2024 are estimated at \$17,837,248,400.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory act, from state sources for fiscal year 2024-2025 is estimated at \$18,371,481,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2024-2025 are estimated at \$16,928,443,900.00.

(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at \$550,817,500.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at \$550,817,500.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2024-2025 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at \$462,220,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at \$461,720,800.00.

(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2023-2024 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2023 PA 103, 2023 PA 320, and this amendatory act, is estimated at \$2,160,022,400.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at \$0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2024-2025 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at \$2,321,092,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2024-2025 is estimated at \$70,000.00.

Enacting section 2. Sections 11v, 11w, 23i, 25k, 27i, 27q, 31k, 31r, 32w, 32x, 35f, 35i, 35k, 35l, 61c, 61k, 61l, 61m, 61n, 61o, 61p, 61q, 61r, 61t, 61u, 67c, 67g, 74b, 95b, 97e, 97i, 97l, 99a, 99e, 99f, 99m, 99n, 99gg, 99kk, 99ll, 104i, 147f, 164h, 216c, 216d, 236b, 236h, 236k, 236m, 236o, and 241d of the state school aid act of 1979, 1979 PA 94, MCL 388.1611v, 388.1611w, 388.1623i, 388.1625k, 388.1627i, 388.1627q, 388.1631k, 388.1631r, 388.1632w, 388.1632x, 388.1635f, 388.1635i, 388.1635k, 388.1635l, 388.1661c, 388.1661k, 388.1661l, 388.1661m, 388.1661n, 388.1661o, 388.1661p, 388.1661q, 388.1661r, 388.1661t, 388.1661u, 388.1667c, 388.1667g, 388.1674b, 388.1695b, 388.1697e, 388.1697i, 388.1697l, 388.1699a, 388.1699e, 388.1699f, 388.1699m, 388.1699n, 388.1699k, 388.1699gg, 388.1699ll, 388.1704i, 388.1747f, 388.1764h, 388.1816c, 388.1816d, 388.1836b, 388.1836h, 388.1836k, 388.1836m, 388.1836o, and 388.1841d, are repealed effective October 1, 2024.

Enacting section 3. (1) Sections 11, 12c, 22a, 22b, 23g, 26c, 27k, 27l, 27n, 30d, 31a, 33, 51a, 51c, 51d, 51e, 56, 61j, 62, 74, 99jj, 147a, 147e, 163, and 236n of the state school aid act of 1979, 1979 PA 94, MCL 388.1611, 388.1612c, 388.1622a, 388.1622b, 388.1623g, 388.1626c, 388.1627k, 388.1627l, 388.1627n, 388.1630d, 388.1631a, 388.1633, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1656, 388.1661j, 388.1662, 388.1674, 388.1699jj, 388.1747a, 388.1747e, 388.1763, and 388.1836n, as amended and sections 11bb, 12d, 99, 164j, 201h, and 236f of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, if granted immediate effect pursuant to section 27 of article IV of the state constitution of 1963, take effect on enactment of this amendatory act.

(2) Except as otherwise provided for those sections listed in subsection (1), the remaining sections of this amendatory act take effect October 1, 2024.

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

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 11, 11a, 11j, 11k, 11m, 11s, 11z, 12c, 15, 20, 20d, 21h, 22a, 22b, 22c, 22d, 22l, 22m, 22p, 23g, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27c, 27d, 27g, 27j, 27k,

27l, 27n, 27o, 27p, 28, 29, 30d, 31a, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 33, 35a, 35d, 39, 39a, 41, 41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61d, 61j, 62, 65, 67, 67f, 74, 81, 94, 94a, 97a, 97j, 97k, 98, 98d, 99b, 99g, 99h, 99s, 99t, 99x, 99aa, 99ee, 99ff, 99hh, 99jj, 104, 104h, 107, 147, 147a, 147c, 147e, 152a, 152b, 163, 201, 205, 206, 207a, 207b, 207c, 217, 217b, 222, 223, 229, 229a, 230, 236, 236c, 236j, 236n, 241, 241a, 241c, 244, 248, 248a, 250, 251, 252, 253, 254, 255, 256, 258, 259, 260, 263, 263a, 263b, 264, 268, 269, 270c, 275b, 275k, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1611z, 388.1612c, 388.1615, 388.1620, 388.1620d, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622i, 388.1622m, 388.1622p, 388.1623g, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627c, 388.1627d, 388.1627g, 388.1627j, 388.1627k, 388.1627l, 388.1627n, 388.1627o, 388.1627p, 388.1628, 388.1629, 388.1630d, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1633, 388.1635a, 388.1635d, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1661j, 388.1662, 388.1665, 388.1667, 388.1667f, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1697a, 388.1697j, 388.1697k, 388.1698, 388.1698d, 388.1699b, 388.1699g, 388.1699h, 388.1699s, 388.1699t, 388.1699x, 388.1699aa, 388.1699ee, 388.1699ff, 388.1699hh, 388.1699jj, 388.1704, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1805, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1817, 388.1817b, 388.1822, 388.1823, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836c, 388.1836j, 388.1836n, 388.1841, 388.1841a, 388.1841c, 388.1844, 388.1848, 388.1848a, 388.1850, 388.1851, 388.1852, 388.1853, 388.1854, 388.1855, 388.1856, 388.1858, 388.1859, 388.1860, 388.1863, 388.1863a, 388.1863b, 388.1868, 388.1869, 388.1870c, 388.1875b, 388.1875k, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections 11, 12c, 20, 22i, 31a, 41, 51a, 51c, 94a, 97k, 99jj, 147a, 201, 236, and 248 as amended by 2023 PA 320, sections 11a, 11j, 11k, 11m, 11s, 15, 20d, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27c, 28, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 35a, 35d, 39, 39a, 41b, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 97a, 98, 99h, 99s, 99t, 99x, 99aa, 99ee, 104, 104h, 107, 147, 147c, 147e, 152a, 152b, 163, 206, 207a, 207b, 207c, 223, 229a, 230, 236c, 236j, 241, 248a, 251, 252, 254, 256, 259, 260, 263, 263a, 264, 268, 269, 270c, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 11z, 23g, 27g, 27j, 27k, 27l, 27n, 27o, 27p, 29, 30d, 33, 61j, 67f, 97j, 98d, 99b, 99g, 99ff, 99hh, 217b, 236n, 241a, 241c, 263b, and 275k as added by 2023 PA 103, section 27d as added and sections 229 and 275b as amended by 2022 PA 144, sections 205 and 217 as amended by 2020 PA 165, section 222 as amended by 2021 PA 86, section 244 as amended and section 250 as added by 2017 PA 108, sections 253 and 255 as amended by 2012 PA 201, and section 258 as amended by 2013 PA 60, and by adding sections 11bb, 12d, 22e, 25l, 27f, 27r, 27s, 31g, 35m, 35n, 51h, 55, 67a, 67b, 67d, 94d, 94e, 97m, 99, 99c, 99i, 147g, 164j, 201f, 201g, 201h, 216e, 217c, 236d, 236f, 236r, 241e, 247, 270, 275m, and 287; and to repeal acts and parts of acts.

Regina Weiss
Jason Morgan

Darrin Camilleri
Sarah E. Anthony

Conferees for the House

Conferees for the Senate

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 331

Yeas—20

Anthony	Chang	Klinefelt	Polehanki
Bayer	Cherry	McCann	Santana
Brinks	Geiss	McDonald Rivet	Shink
Camilleri	Hertel	McMorrow	Singh
Cavanagh	Irwin	Moss	Wojno

Nays—18

Albert	Hauck	Lindsey	Runestad
Bellino	Hoitenga	McBroom	Theis

Bumstead
Daley
Damoose

Huizenga
Johnson
Lauwers

Nesbitt
Outman

Victory
Webber

Excused—0

Not Voting—0

In The Chair: Moss

Senator Singh moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Protests

Senators Albert, Theis and Nesbitt, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 5507 and moved that the statements they made during the discussion of the conference report be printed as their reasons for voting “no.”

The motion prevailed.

Senator Albert’s statement is as follows:

This is a budget with many flaws. Those flaws start with a significant portion of the money that comes from a diversion of pension funds which should not be in this budget, and it’s going to cause a lot of problems in the future. Roughly \$670 million in this budget comes from raiding the teacher pension fund. I have said many times that taking this money away from the retirement system skirts a state law I sponsored in 2018. But beyond the question of its legality, it’s just an extremely unwise and reckless move. It is in no way necessary to maintain essential programs and it makes no financial sense. But addiction sparks desperation, and in this case, Democrats so addicted to spending that they will risk weakening the retirement fund’s future health to feel the rush of spending more money today.

I am appalled by the misleading rhetoric supporters of this raid are using to try to justify their addiction to spending. They use terms like “excess funding” and “savings” to describe where this money comes from. That is a complete joke. The overall teacher retirement fund is still over \$30 billion in debt. There is no excess money. There is no savings to be had.

We have seen several versions of this plan and it all boils down to the same thing. It diverts money that should be used to pay off teacher retirement system debt we currently have. Choosing to reduce debt payments will have negative consequences. Just like delaying a debt payment on your mortgage or your credit card today, it will inevitably lead to higher debt payments in the future. Who is going to get stuck with these higher bills in the future? Taxpayers and our kids. And we cannot forget about the thousands of school employees—those retired already, and those who will retire in the future—who are counting on benefits from the MPSERS system. This raid will weaken the system and potentially put their benefits at risk. They deserve better. They deserve to know the state will fulfill the financial obligations to them.

Worse, these raided funds are not even put to good use. The spending detailed here does not do enough to improve outcomes for kids or address pressing issues such as chronic absenteeism that has continued to be a major problem since the pandemic.

What should we be doing instead? More than one superintendent has told me they’re looking at budget cuts for the next year. A budget that is most beneficial to our school districts is not complicated. We should limit categorical spending and juice up the foundation allowance to the greatest extent possible. We should also not divert MPSERS funds which is going to be a long-term fiscal disaster. I urge a “no” vote.

Senator Theis’ statement is as follows:

Mr. President, the budget before us makes history in all the wrong ways. For the first time in over a decade, Democrats are veering Michigan off the fiscally responsible course of paying off debt we owe to our retired teachers. There’s no sugar-coating this: if you vote for this bill, you are voting to divert \$670 million dollars from the pension fund, a fund that is still \$30 billion dollars in debt. This is like celebrating paying off credit

card debt by going on a shopping spree when you still have six other credit cards fully maxed out. It's irresponsible, and it's reckless. Unfortunately, Mr. President, raiding the pension fund isn't the only history made by this budget. This appalling lack of support has led education groups to warn Democrats that they will have to lay off employees if this budget is signed into law. This is the type of austerity that we saw during Jennifer Granholm's lost decade, but it's happening 12 months after we had a record \$9 billion dollar surplus. Mr. President, this budget fails teachers, fails our students. It deserves an F, and a "no" vote.

Senator Nesbitt's statement is as follows:

Disappointed doesn't even begin to describe how I feel about this one-sided, partisan school aid budget. We had a significant opportunity to work together on this as we have on past education budgets. We basically agreed with each other on issues like increasing per-pupil funding, funding all students equally, paying down long-term debt, and putting more money directly into the classroom. A lot of the past bipartisan education budgets have done that.

Those are all ideas that put students first and protect the promises to our teachers and retirees. And the only thing you needed to compromise on, the only place where you needed to give just a little, was on finding ways to not raid the \$670 million a year from the teacher pension fund that was required to go toward keeping our promises to retirees. Paying down that debt, not raiding that money, was the fiscally responsible thing to do. And you refused to do it. Fourteen years ago, when we began the process of paying down long-term liability here in the state, there was over \$70 billion of long-term, unfunded liability here in Michigan. Today, there's \$35 billion; \$30 billion still in the MPSERS and the teacher pension program. We're half way there. It's been 14 years, let's finish it off.

We could have found the money that you found in the teacher pension fund elsewhere. I know you've seen our proposals, you've seen proposals from school groups, and even from our colleagues in the House. Heck, many of us here would have rather spent all that SOAR money on our students, classrooms, and teachers instead of shelling it out to big corporations. But no, you couldn't tell the Governor "no." Not only would you have to have had the vote to give this budget immediate effect, you would have had strong, bipartisan support for the budget. The last thing anyone wants to do is turn funding the education of our students into a political football. But you couldn't tell the Governor "no." And now, for the first time in over a decade, there will be no per-pupil increase for our students. At a time when our student outcomes continue to plummet, a recent study earlier this year says with the COVID shutdowns our students are half a grade level behind.

This majority decided to give the foundation allowance a 0.0 percent increase. Education groups are warning us that if passed, this budget will lead to lay-offs of school employees. Think about that. One year after inheriting a \$9 billion surplus, this trifecta is poised to pass a school budget with no foundation increase that will lead to teacher layoffs.

Disaster is the only way to describe what is happening here. So as our Governor continues to hop around on her book tour, we're standing here at 4:50 a.m. in the morning voting on the worst School Aid budget to come through this chamber since many of us started serving our constituents here in Lansing.

Senators Anthony and Brinks asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Anthony's statement is as follows:

Thank you, Mr. President. I urge a "yes" vote.

Senator Brinks' statement is as follows:

Well, it may technically have taken Wednesday and Thursday, today is another significant day for Michigan history, for our students, families, teachers, and schools. When we are doing our jobs best, it is when we are informing our decisions with our own experiences and the voices of those most directly impacted. I'm the spouse of a public school teacher; I'm the proud parent of three daughters who went to public schools. I served on my parent-teacher association's legislative committee, and I used to work in public schools. Together these perspectives have informed my positions on education policy and funding, and it's also why it's so important for me to have a former teacher at the helm of our pre-K through 12 budget.

This budget before us is a thoughtful and responsive budget to the real needs of our students, parents, teachers, and schools. Thanks to the hard work of the Senator from the 4th District and our colleagues on the committee, this budget puts more money back into the pockets of our hardworking teachers. It allocates hundreds of millions of funding into our classroom which was the direct result of hours of conversations with school leaders and teachers. It builds up Michigan's kids and schools for a better and brighter future. It will leave our state and our schools in a stronger position for years to come. This School Aid budget continues our legacy of equitable, responsible, and smart budgeting.

I urge your "yes" vote on this budget for all that it does to benefit our students, teachers, and schools.

By unanimous consent the Senate proceeded to the order of
Resolutions

Senator Singh moved that rule 3.204 be suspended to permit immediate consideration of the following concurrent resolution:

Senate Concurrent Resolution No. 18

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

Senator Singh offered the following concurrent resolution:

Senate Concurrent Resolution No. 18.

A concurrent resolution to prescribe the legislative schedule.

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, June 27, 2024, it stands adjourned until Tuesday, July 30, 2024, at 10:00 a.m.; when it adjourns on Tuesday, July 30, 2024, it stands adjourned until Wednesday, July 31, 2024, at 10:00 a.m.; when it adjourns on Wednesday, July 31, 2024, it stands adjourned until Tuesday, August 13, 2024, at 10:00 a.m.; when it adjourns on Tuesday, August 13, 2024, it stands adjourned until Wednesday, August 14, 2024, at 10:00 a.m.; when it adjourns on Wednesday, August 14, 2024, it stands adjourned until Thursday, August 15, 2024, at 10:00 a.m.; when it adjourns on Thursday, August 15, 2024, it stands adjourned until Wednesday, September 4, 2024, at 10:00 a.m.; and be it further

Resolved, That when the House of Representatives adjourns on Thursday, June 27, 2024, it stands adjourned until Tuesday, July 30, 2024, at 1:30 p.m.; when it adjourns on Tuesday, July 30, 2024, it stands adjourned until Wednesday, July 31, 2024, at 1:30 p.m.; when it adjourns on Wednesday, July 31, 2024, it stands adjourned until Tuesday, August 13, 2024, at 1:30 p.m.; when it adjourns on Tuesday, August 13, 2024, it stands adjourned until Wednesday, August 14, 2024, at 1:30 p.m.; when it adjourns on Wednesday, August 14, 2024, it stands adjourned until Thursday, August 15, 2024, at 12:00 noon; when it adjourns on Thursday, August 15, 2024, it stands adjourned until Wednesday, September 11, 2024, at 1:30 p.m.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

Announcements of Printing and Enrollment

The Secretary announced the enrollment printing and presentation to the Governor on Wednesday, June 26, for her approval the following bills:

Enrolled Senate Bill No. 235 at 2:42 p.m.

Enrolled Senate Bill No. 465 at 2:44 p.m.

Enrolled Senate Bill No. 498 at 2:46 p.m.

Enrolled Senate Bill No. 603 at 2:48 p.m.

Enrolled Senate Bill No. 604 at 2:50 p.m.

Enrolled Senate Bill No. 682 at 2:52 p.m.

Enrolled Senate Bill No. 690 at 2:54 p.m.

Enrolled Senate Bill No. 702 at 2:56 p.m.

Enrolled Senate Bill No. 841 at 2:58 p.m.

Enrolled Senate Bill No. 842 at 3:00 p.m.

Enrolled Senate Bill No. 843 at 3:02 p.m.

Enrolled Senate Bill No. 251 at 3:04 p.m.

Enrolled Senate Bill No. 417 at 3:06 p.m.

Committee Reports

COMMITTEE ATTENDANCE REPORT

The Committee on Appropriations submitted the following:

Meeting held on Wednesday, June 26, 2024, at 2:00 p.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Anthony (C), McCann, McDonald Rivet, Cherry, Bayer, Santana, Shink, Irwin, Hertel, Camilleri, Klinefelt, McMorro, Cavanagh, Bumstead, Albert, Damoose, Huizenga, Outman and Theis

COMMITTEE ATTENDANCE REPORT

The Conference Committee on House Bill No. 5507 submitted the following:

Meeting held on Thursday, June 27, 2024, at 12:05 a.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Camilleri, Anthony and Bumstead

COMMITTEE ATTENDANCE REPORT

The Conference Committee on Senate Bill No. 747 submitted the following:

Meeting held on Thursday, June 27, 2024, at 12:15 a.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Anthony (C), McCann and Bumstead

Senator Singh moved that the Senate adjourn.

The motion prevailed, the time being 4:57 a.m.

Pursuant to Senate Concurrent Resolution No. 18, the President pro tempore, Senator Moss, declared the Senate adjourned until Tuesday, July 30, 2024, at 10:00 a.m.

DANIEL OBERLIN
Secretary of the Senate

