

**SUBSTITUTE FOR
HOUSE BILL NO. 4246**

A bill to make appropriations for the department of labor and economic opportunity for the fiscal year ending September 30, 2024; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of labor
2 and economic opportunity for the fiscal year ending September 30,
3 2024, from the following funds:

4 **Sec. 101. DEPARTMENT OF LABOR AND ECONOMIC**
5 **OPPORTUNITY**

6 **(1) APPROPRIATION SUMMARY**

7 Full-time equated unclassified positions	34.5
8 Full-time equated classified positions	2,591.4

1	GROSS APPROPRIATION		\$ 2,539,112,600
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and		
4	intradepartmental transfers		0
5	ADJUSTED GROSS APPROPRIATION		\$ 2,539,112,600
6	Federal revenues:		
7	Total federal revenues		1,450,548,800
8	Special revenue funds:		
9	Total local revenues		10,700,000
10	Total private revenues		12,539,200
11	Total other state restricted revenues		348,293,900
12	State general fund/general purpose		\$ 717,030,700
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
14	SUPPORT		
15	Full-time equated unclassified positions	34.5	
16	Full-time equated classified positions	60.0	
17	Unclassified salaries--FTEs	34.5	\$ 4,514,200
18	Executive direction and operations--FTEs	60.0	10,082,400
19	Property management		6,298,500
20	GROSS APPROPRIATION		\$ 20,895,100
21	Appropriated from:		
22	Federal revenues:		
23	DED, vocational rehabilitation and independent		
24	living		3,333,700
25	DOL-ETA, unemployment insurance		2,536,700
26	DOL, federal funds		3,221,400
27	DOL, occupational safety and health		515,900
28	Federal funds		2,500,000

1	Special revenue funds:		
2	Asbestos abatement fund		51,700
3	Corporation fees		1,819,000
4	Michigan state housing development authority		
5	fees and charges		637,700
6	Private occupational school fees		55,500
7	Radiological health fees		288,500
8	Safety education and training fund		770,300
9	Second injury fund		274,800
10	Securities fees		2,016,500
11	Self-insurers security fund		150,800
12	Silicosis and dust disease fund		113,800
13	Worker's compensation administrative revolving		
14	fund		89,800
15	State general fund/general purpose		\$ 2,519,000
16	Sec. 103. WORKFORCE DEVELOPMENT		
17	Full-time equated classified positions	234.0	
18	23+ high school diploma program		\$ 5,000,000
19	Adult literacy opportunity fund		1,725,000
20	At-risk youth grants		6,000,000
21	Going pro		55,000,000
22	High school equivalency-to-school program		250,000
23	Michigan reconnect grant program--FTEs	12.0	54,989,900
24	MiSTEM advisory council--FTEs	3.0	748,000
25	Office of future mobility and electrification		2,000,000
26	Tri-share child care program		2,500,000
27	Workforce development--FTEs	219.0	439,531,600
28	GROSS APPROPRIATION		\$ 567,744,500

1	Appropriated from:		
2	Federal revenues:		
3	DAG, employment and training		4,000,400
4	DED-OESE, GEAR-UP		5,500,000
5	DED-OVAE, adult education		20,000,000
6	DED-OVAE, basic grants to states		19,000,000
7	DOL, federal funds		106,381,300
8	DOL-ETA, workforce investment act		173,488,600
9	Federal funds		21,809,800
10	Social security act, temporary assistance for		
11	needy families		63,698,800
12	Special revenue funds:		
13	Local revenues		300,000
14	Private funds		5,295,900
15	Contingent fund, penalty and interest account		22,111,600
16	Defaulted loan collection fees		178,500
17	State general fund/general purpose	\$	125,979,600
18	Sec. 104. REHABILITATION SERVICES		
19	Full-time equated classified positions	671.0	
20	Bureau of services for blind persons--FTEs	116.0	\$ 25,688,900
21	Centers for independent living		21,531,700
22	Michigan rehabilitation services--FTEs	555.0	139,417,100
23	Subregional libraries state aid		451,800
24	GROSS APPROPRIATION	\$	187,089,500
25	Appropriated from:		
26	Federal revenues:		
27	DED, vocational rehabilitation and independent		
28	living		129,592,700

1	Federal funds		1,461,000
2	Supplemental security income		8,588,600
3	Special revenue funds:		
4	Local - blind services		100,000
5	Local - vocational rehabilitation match		5,300,000
6	Private - blind services		111,800
7	Private - gifts, bequests, and donations		531,500
8	Michigan business enterprise program fund		350,000
9	Rehabilitation services fees		150,000
10	Second injury fund		38,300
11	State general fund/general purpose	\$	40,865,600
12	Sec. 105. EMPLOYMENT SERVICES		
13	Full-time equated classified positions	389.4	
14	Bureau of employment relations--FTEs	22.0	\$ 4,511,200
15	Compensation supplement fund		820,000
16	First responder presumed coverage claims		4,000,000
17	Insurance funds administration--FTEs	23.0	4,778,100
18	Michigan occupational safety and health		
19	administration--FTEs	201.0	36,018,500
20	Office of global Michigan--FTEs	16.0	41,424,600
21	Private and occupational distance learning--		
22	FTEs	3.0	858,700
23	Radiation safety section--FTEs	21.4	3,466,200
24	Wage and hour program--FTEs	33.0	4,701,800
25	Workers' compensation board of magistrates--		
26	FTEs	10.0	2,258,400
27	Workers' disability compensation agency--FTEs	56.0	8,316,100

1	Workers' disability compensation appeals		
2	commission--FTEs	4.0	350,000
3	GROSS APPROPRIATION		\$ 111,503,600
4	Appropriated from:		
5	Federal revenues:		
6	DOL, occupational safety and health		15,304,800
7	HHS, mammography quality standards		513,300
8	HHS, refugee assistance program fund		38,369,000
9	Special revenue funds:		
10	Asbestos abatement fund		939,800
11	Corporation fees		10,702,200
12	Distance education fund		368,200
13	First responder presumed coverage fund		4,000,000
14	Private occupational school license fees		490,500
15	Radiological health fees		2,952,900
16	Safety education and training fund		11,362,600
17	Second injury fund		2,422,900
18	Securities fees		10,786,600
19	Self-insurers security fund		1,642,200
20	Silicosis and dust disease fund		713,000
21	Worker's compensation administrative revolving		
22	fund		1,894,900
23	State general fund/general purpose		\$ 9,040,700
24	Sec. 106. UNEMPLOYMENT		
25	Full-time equated classified positions	744.0	
26	Unemployment insurance agency--FTEs	736.0	\$ 297,440,700
27	Unemployment insurance agency - advocacy		
28	assistance		1,500,000

1	Unemployment insurance appeals commission--FTEs	8.0		4,430,600
2	GROSS APPROPRIATION		\$	303,371,300
3	Appropriated from:			
4	Federal revenues:			
5	DOL-ETA, unemployment insurance			280,624,500
6	Special revenue funds:			
7	Contingent fund, penalty and interest account			22,746,800
8	State general fund/general purpose		\$	0
9	Sec. 107. COMMISSIONS			
10	Full-time equated classified positions	17.0		
11	Asian Pacific American affairs commission--FTE	1.0	\$	222,400
12	Commission on Middle Eastern American affairs--			
13	FTE	1.0		210,000
14	Hispanic/Latino commission of Michigan--FTE	1.0		294,200
15	Michigan community service commission--FTEs	12.0		19,829,500
16	Michigan women's commission--FTEs	2.0		1,533,500
17	GROSS APPROPRIATION		\$	22,089,600
18	Appropriated from:			
19	Federal revenues:			
20	Federal funds			18,200,200
21	Special revenue funds:			
22	Private funds			1,250,000
23	State general fund/general purpose		\$	2,639,400
24	Sec. 108. INFORMATION TECHNOLOGY			
25	Information technology services and projects		\$	29,675,800
26	GROSS APPROPRIATION		\$	29,675,800
27	Appropriated from:			
28	Federal revenues:			

1	DED, vocational rehabilitation and independent		
2	living		3,134,400
3	DOL-ETA, unemployment insurance		22,818,100
4	DOL, occupational safety and health		372,300
5	Special revenue funds:		
6	Asbestos abatement fund		35,300
7	Corporation fees		315,400
8	Distance education fund		5,600
9	Private occupational school license fees		21,900
10	Radiological health fees		155,900
11	Safety education and training fund		403,300
12	Second injury fund		355,700
13	Securities fees		992,900
14	Self-insurers security fund		250,600
15	Silicosis and dust disease fund		70,600
16	State general fund/general purpose	\$	743,800
17	Sec. 109. MICHIGAN STRATEGIC FUND		
18	Full-time equated classified positions	174.0	
19	Arts and cultural program	\$	11,050,000
20	Business attraction and community		
21	revitalization		100,000,000
22	Community college skilled trades equipment		
23	program debt service		4,600,000
24	Community development block grants		47,000,000
25	Entrepreneurship ecosystem		15,650,000
26	Facility for rare isotope beams		7,300,000
27	Job creation services--FTEs	174.0	31,502,700
28	Lighthouse preservation program		307,500

1	ARP - Pure Michigan	5,000,000
2	Pure Michigan	25,000,000
3	Revitalization and placemaking program	50,000,000
4	State trade export program	3,000,000
5	GROSS APPROPRIATION	\$ 300,410,200
6	Appropriated from:	
7	Federal revenues:	
8	Coronavirus state fiscal recovery fund	5,000,000
9	HUD-CPD community development block grant	49,773,300
10	NFAH-NEA, promotion of the arts, partnership	
11	agreements	1,050,000
12	State historic preservation, national park	
13	service grants	1,900,000
14	Federal funds	3,000,000
15	Special revenue funds:	
16	Local promotion fund	5,000,000
17	Private - Michigan council for the arts fund	150,000
18	Private - special project advances	200,000
19	Private promotion fund	5,000,000
20	21st century jobs trust fund	75,000,000
21	Contingent fund, penalty and interest account	4,600,000
22	Michigan lighthouse preservation fund	307,500
23	Michigan state housing development authority	
24	fees and charges	4,778,700
25	Revitalization and placemaking fund	50,000,000
26	State brownfield redevelopment fund	3,000,000
27	State historic preservation office fees and	
28	charges	200,000

1	State general fund/general purpose		\$	91,450,700
2	Sec. 110. MICHIGAN STATE HOUSING DEVELOPMENT			
3	AUTHORITY			
4	Full-time equated classified positions	293.0		
5	Housing and rental assistance--FTEs	293.0	\$	47,474,700
6	Michigan housing and community development			
7	program			50,000,000
8	Michigan state housing development authority			
9	technology services and projects			3,730,200
10	Payments on behalf of tenants			166,860,000
11	Property management			3,105,700
12	GROSS APPROPRIATION		\$	271,170,600
13	Appropriated from:			
14	Federal revenues:			
15	HUD, lower income housing assistance			166,860,000
16	Special revenue funds:			
17	Michigan housing and community development fund			50,000,000
18	Michigan state housing development authority			
19	fees and charges			54,310,600
20	State general fund/general purpose		\$	0
21	Sec. 111. STATE LAND BANK AUTHORITY			
22	Full-time equated classified positions	9.0		
23	State land bank authority--FTEs	9.0	\$	4,370,500
24	GROSS APPROPRIATION		\$	4,370,500
25	Appropriated from:			
26	Federal revenues:			
27	Federal funds			1,000,000
28	Special revenue funds:			

1	Land bank fast track fund		3,370,500
2	State general fund/general purpose	\$	0
3	Sec. 112. ONE-TIME APPROPRIATIONS		
4	Adult literacy opportunity fund	\$	3,000,000
5	Advanced manufacturing and skilled trades		
6	center		2,500,000
7	Affordable housing project		4,000,000
8	ARP - city convention center renovation		5,000,000
9	ARP - Community downtown and business corridor		
10	economic development program		100,000,000
11	ARP - convention and visitors bureau relief		20,000,000
12	ARP - electric vehicle charging infrastructure		55,000,000
13	ARP - going pro		25,000,000
14	ARP - Habitat for humanity home ownership		
15	program		25,000,000
16	ARP - Michigan skills fund		5,000,000
17	ARP - Workforce training: hospitality training		
18	program		10,000,000
19	Arts and cultural program		4,000,000
20	Child savings accounts		10,000,000
21	Community and fitness center project		5,000,000
22	Construction workers' compensation safety grant		250,000
23	Critical skills program		2,500,000
24	Detroit grand prix		2,000,000
25	Detroit medical center		100
26	Detroit symphony orchestra hall renovation		2,000,000
27	Digital workforce development		4,900,000
28	Economic development infrastructure project		10,000,000

1	Fire gear equipment grants	15,000,000
2	Focus: HOPE	1,000,000
3	Fresh water research and innovation center	100
4	Global epicenter of mobility Detroit region	5,000,000
5	HEROES tech program	500,000
6	Historic building preservation project	1,000,000
7	Historic building housing rehabilitation	
8	project	100
9	Historic veterans memorial relocation	2,000,000
10	Housing and business preservation project	1,000,000
11	Housing readiness incentive grant program	5,000,000
12	Housing readiness program	300,000
13	International auto event	8,000,000
14	John Ball Zoo	10,000,000
15	Junior achievement	1,500,000
16	L!FE leaders workforce development program	500,000
17	Michigan defense center	5,000,000
18	Michigan housing and community development	
19	program	100,000,000
20	Michigan infrastructure grants	35,144,100
21	Michigan minority supplier development council	2,500,000
22	Michigan regional empowerment program	100,000,000
23	Michigan training innovation center	10,000,000
24	Minority-owned business economic development	
25	fund grants	10,000,000
26	Mobile coronary computed tomography	5,000,000
27	Office of global Michigan - refugee assistance	7,000,000
28	Pope Francis center	100

1	Port authority	100
2	Prince hall masons	100
3	Public safety employee health care benefits	
4	grant	15,000,000
5	Reentry and support	1,000,000
6	Regional housing rehabilitation project	100
7	Rural internet infrastructure project	1,547,000
8	Skilled trade grant program	24,000,000
9	Sound mind sound body	400,000
10	Special events and national convention	
11	attraction	12,000,000
12	Special olympics unified sports and inclusion	
13	center renovation	5,000,000
14	Statewide hydrogen refueling network	100
15	Student aviation center	2,500,000
16	Student wraparound services and basic needs	
17	supports	30,000,000
18	Tri-share child care program	1,000,000
19	UIA legal assistance program	1,500,000
20	Wearable technology innovation center	850,000
21	West Michigan hispanic chamber of commerce	2,500,000
22	Women's mentoring program	200,000
23	Workers' disability compensation agency	1,200,000
24	Workforce training program for the homeless	750,000
25	Youth career development program	750,000
26	GROSS APPROPRIATION	\$ 720,791,900
27	Appropriated from:	
28	Federal revenues:	

1	Coronavirus state fiscal recovery fund	265,000,000
2	Federal funds	5,000,000
3	HHS, refugee assistance program fund	7,000,000
4	State general fund/general purpose	\$ 443,791,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2023-2024

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 fiscal year 2023-2024 is \$1,065,324,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$88,274,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

17	DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY	
18	Arts and cultural program	\$ 1,000,000
19	At-risk youth grants	6,000,000
20	Fire gear equipment grants	15,000,000
21	Going pro	55,000,000
22	Workforce development programs	10,999,900
23	Michigan rehabilitation services	275,000
24	TOTAL	\$ 88,274,900

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) "DAG" means the United States Department of Agriculture.

- 1 (b) "DED" means the United States Department of Education.
- 2 (c) "DED-OESE" means the DED Office of Elementary and
3 Secondary Education.
- 4 (d) "DED-OPSE" means the DED Office of Postsecondary
5 Education.
- 6 (e) "DED-OVAE" means the DED Office of Career, Technical, and
7 Adult Education.
- 8 (f) "Department" means the department of labor and economic
9 opportunity".
- 10 (g) "DHHS" means the Michigan department of health and human
11 services.
- 12 (h) "DOL" means the United States Department of Labor.
- 13 (i) "DOL-ETA" means the United States Department of Labor,
14 Employment and Training Administration.
- 15 (j) "FTE" means full-time equated.
- 16 (k) "Fund", unless the context clearly implies a different
17 meaning, means the Michigan strategic fund.
- 18 (l) "GEAR-UP" means gaining early awareness and readiness for
19 undergraduate programs.
- 20 (m) "GED" means a general educational development certificate.
- 21 (n) "GF/GP" means general fund/general purpose.
- 22 (o) "HHS" means the United States Department of Health and
23 Human Services.
- 24 (p) "HHS-OS" means the HHS Office of the Secretary.
- 25 (q) "HHS-SSA" means the Social Security Administration.
- 26 (r) "HUD" means the United States Department of Housing and
27 Urban Development.
- 28 (s) "HUD-CPD" means the United States Department of Housing
29 and Urban Development - Community Planning and Development.

- 1 (t) "IDG" means interdepartmental grant.
- 2 (u) "JCOS" means the joint capital outlay subcommittee.
- 3 (v) "MCL" means the Michigan Compiled Laws.
- 4 (w) "MEDC" means the Michigan economic development
5 corporation, which is the public body corporate created under
6 section 28 of article VII of the state constitution of 1963 and the
7 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
8 124.512, by contractual interlocal agreement effective April 5,
9 1999, between local participating economic development corporations
10 formed under the economic development corporations act, 1974 PA
11 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
- 12 (x) "MEGA" means the Michigan economic growth authority.
- 13 (y) "MFA" means the Michigan finance authority.
- 14 (z) "MSF" means the Michigan strategic fund.
- 15 (aa) "MSHDA" means the Michigan state housing development
16 authority.
- 17 (bb) "NFAH-NEA" means the National Foundation of the Arts and
18 the Humanities - National Endowment for the Arts.
- 19 (cc) "PA" means public act.
- 20 (dd) "PATH" means Partnership. Accountability. Training. Hope.
- 21 (ee) "RFP" means a request for a proposal.
- 22 (ff) "SIGMA" means statewide integrated governmental
23 management applications.
- 24 (gg) "WDA" means the workforce development agency.
- 25 Sec. 204. From the funds appropriated in part 1, the
26 department shall use the internet to fulfill the reporting
27 requirements of this part. This requirement shall include
28 transmission of reports via email to the recipients identified for
29 each reporting requirement, and it shall include placement of

1 reports on a website.

2 Sec. 205. Except as otherwise provided in this part, all
3 reports required under this part shall be submitted to the senate
4 and house appropriations subcommittees on labor and economic
5 opportunity, the senate and house fiscal agencies, the senate and
6 house policy offices, and the state budget office.

7 Sec. 206. To the extent permissible under section 261 of the
8 management and budget act, 1984 PA 431, MCL 18.1261, all of the
9 following apply:

10 (a) The funds appropriated in part 1 must not be used for the
11 purchase of foreign goods or services, or both, if competitively
12 priced and of comparable quality American goods or services, or
13 both, are available.

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

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

21 Sec. 207. The department shall not take disciplinary action
22 against an employee of the department who is in the state
23 classified civil service because the employee communicates with a
24 member of the senate or house or a member's staff, unless the
25 communication is prohibited by law and the department is exercising
26 its authority as provided by law.

27 Sec. 208. The department shall prepare a report on out-of-state
28 travel expenses not later than January 1 of each year. The travel
29 report shall be a listing of all travel by classified and

1 unclassified employees outside this state in the immediately
2 preceding fiscal year that was funded in whole or in part with
3 funds appropriated in the department's budget. The report shall be
4 submitted to the house and senate appropriations committees and the
5 report recipients required in section 205 of this part. The report
6 shall include the following information:

7 (a) The dates of each travel occurrence.

8 (b) The total transportation and related costs of each travel
9 occurrence, including the proportion funded with state GF/GP
10 revenues, the proportion funded with state restricted revenues, the
11 proportion funded with federal revenues, and the proportion funded
12 with other revenues.

13 Sec. 209. Funds appropriated in part 1 shall not be used by
14 the department to hire a person to provide legal services that are
15 the responsibility of the attorney general. This prohibition does
16 not apply to legal services for bonding activities and for those
17 outside services that the attorney general authorizes.

18 Sec. 210. Not later than December 15, the state budget office
19 shall prepare and transmit a report that provides for estimates of
20 the total GF/GP appropriation lapses at the close of the prior
21 fiscal year. This report shall summarize the projected year-end
22 GF/GP appropriation lapses by major departmental program or program
23 areas. The report shall be transmitted to the chairpersons of the
24 senate and house appropriations committees and the report
25 recipients required in section 205 of this part.

26 Sec. 211. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$30,000,000.00 for
28 federal contingency authorization. Authorized funds are not
29 available for expenditure until they have been transferred to

1 another line item in part 1 under section 393(2) of the management
2 and budget act, 1984 PA 431, MCL 18.1393.

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

9 (3) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$2,000,000.00 for local
11 contingency authorization. Authorized funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

15 (4) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$2,000,000.00 for private
17 contingency authorization. Authorized funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 Sec. 212. The department shall cooperate with the department
22 of technology, management, and budget to maintain a searchable
23 website accessible by the public at no cost that includes, but is
24 not limited to, all of the following for each department or agency:

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

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

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

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

3 (e) Job specifications and wage rates.

4 Sec. 213. Within 14 days after the release of the executive
5 budget recommendation, the department shall cooperate with the
6 state budget office to provide the chairpersons of the senate and
7 house appropriations committees and the report recipients required
8 in section 205 of this part with an annual report on estimated
9 state restricted fund balances, state restricted fund projected
10 revenues, and state restricted fund expenditures for the prior 2
11 fiscal years.

12 Sec. 214. The department shall maintain, on a publicly
13 accessible website, a department scorecard that identifies, tracks,
14 and regularly updates key metrics that are used to monitor and
15 improve the department's performance.

16 Sec. 216. To the extent permissible under the management and
17 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of
18 the department receiving appropriations in part 1 shall take all
19 reasonable steps to ensure geographically disadvantaged business
20 enterprises as defined in Executive Directive 2019-08 compete for
21 and perform contracts to provide services or supplies, or both.
22 Each director shall strongly encourage firms with which the
23 department contracts to subcontract with certified geographically
24 disadvantaged business enterprises as defined in Executive
25 Directive 2019-08 for services, supplies, or both.

26 Sec. 217. On a quarterly basis, the department shall report to
27 the senate and house appropriations committees and the report
28 recipients required in section 205 of this part a comparison by
29 line item of the number of FTEs authorized from funds appropriated

1 in part 1 to the actual number of FTEs employed by the department
2 at the end of the reporting period.

3 Sec. 218. It is the intent of the legislature that the
4 department maximize the efficiency of the state workforce, and,
5 where possible, prioritize in-person work. The department must post
6 its in-person, remote, or hybrid work policy on its website.

7 Sec. 220. General fund appropriations in part 1 shall not be
8 expended for items in cases where federal funding or private grant
9 funding is available for the same expenditures.

10 Sec. 221. The department shall receive and retain copies of
11 all reports funded from appropriations in part 1. Federal and state
12 guidelines for short-term and long-term retention of records shall
13 be followed. The department may electronically retain copies of
14 reports unless otherwise required by federal and state guidelines.

15 Sec. 222. The department shall report no later than April 1 on
16 each specific policy change made to implement a public act
17 affecting the department that took effect during the prior calendar
18 year to the senate and house appropriations committees, to the
19 joint committee on administrative rules, and to the report
20 recipients required in section 205 of this part.

21 Sec. 223.(1) From the funds appropriated in part 1, the
22 departments shall do all of the following:

23 (a) Report to the house and senate appropriations committees
24 and the report recipients required in section 205 of this part any
25 amounts of severance pay for a department director, deputy
26 director, or other high-ranking department officials not later than
27 14 days after a severance agreement with the director or official
28 is signed. The name of the director or official and the amount of
29 severance pay must be included in the report required by this

1 subdivision.

2 (b) By February 1, report on the total amount of severance pay
3 remitted to former department employees during the fiscal year
4 ending September 30, 2023 and the total number of former department
5 employees that were remitted severance pay during the fiscal year
6 ending September 30, 2023.

7 (2) As used in this section, "severance pay" means
8 compensation that is both payable or paid upon the termination of
9 employment and in addition to either wages or benefits earned
10 during the course of employment or generally applicable retirement
11 benefits.

12 Sec. 225. Appropriations in part 1 shall, to the extent
13 possible by the department, not be expended until all existing work
14 project authorization available for the same purposes is exhausted.

15 Sec. 226. (1) No money appropriated in part 1 shall be used to
16 restrict or interfere with actions related to diversity, equity,
17 and inclusion (DEI), to restrict or impede a marginalized
18 community's access to government resources, programs, or
19 facilities, or to diminish, interfere with, or restrict an
20 individual's ability to exercise the right to reproductive freedom.

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

24 Sec. 229. (1) If the office of the auditor general has
25 identified an initiative or made a recommendation that is related
26 to savings and efficiencies in an audit report for the department,
27 the department shall report within 6 months of the release of the
28 audit on their efforts and progress made toward achieving the
29 savings and efficiencies identified in the audit report. The report

1 shall be submitted to the chairs of the senate and house of
2 representatives standing committees on appropriations, the chairs
3 of the senate and house of representatives standing committees with
4 jurisdiction over matters relating to the department that is
5 audited, and the report recipients required in section 205 of this
6 part.

7 (2) If the office of the auditor general does not receive the
8 required report regarding initiatives related to savings and
9 efficiencies within the 6-month time frame, the office of the
10 auditor general may charge noncompliant department for the cost of
11 performing a subsequent audit to ensure that the initiatives
12 related to savings and efficiencies have been implemented.

13

14 **DEPARTMENT ADMINISTRATION**

15 Sec. 982. Federal pass-through funds to local institutions and
16 governments that are received in amounts in addition to those
17 included in part 1 and that do not require additional state
18 matching funds are appropriated for the purposes intended. The
19 department may carry forward into the succeeding fiscal year
20 unexpended federal pass-through funds to local institutions and
21 governments that do not require additional state matching funds.
22 The department shall report the amount and source of the funds
23 within 10 business days after receiving any additional pass-through
24 funds.

25 Sec. 984. As a condition of receiving funds in part 1, the
26 department shall utilize SIGMA as an appropriation and expenditure
27 reporting system to track all financial transactions with
28 individual vendors, contractual partners, grantees, recipients of
29 business incentives, and recipients of other economic assistance.

1 Encumbrances and expenditures shall be reported in a timely manner.

2 Sec. 985. (1) Grants supported with private revenues received
3 by the department are appropriated upon receipt and are available
4 for expenditure by the department, subject to subsection (3), for
5 purposes specified within the grant agreement and as permitted
6 under state and federal law.

7 (2) Within 10 days after the receipt of a private grant
8 appropriated in subsection (1), the department shall report the
9 receipt of the grant, including the fund source, purpose, and
10 amount of the grant.

11 (3) The amount appropriated under subsection (1) shall not
12 exceed \$1,500,000.00.

13 Sec. 986. (1) The department may charge registration fees to
14 attendees of informational, training, or special events sponsored
15 by the department, and related to activities that are under the
16 department's purview.

17 (2) These fees shall reflect the costs for the department to
18 sponsor the informational, training, or special events.

19 (3) Revenue generated by the registration fees is appropriated
20 upon receipt and available for expenditure to cover the
21 department's costs of sponsoring informational, training, or
22 special events.

23 (4) Revenue generated by registration fees in excess of the
24 department's costs of sponsoring informational, training, or
25 special events shall carry forward to the subsequent fiscal year
26 and not lapse to the general fund.

27 (5) The amount appropriated under subsection (3) shall not
28 exceed \$500,000.00.

29 Sec. 987. (1) The department may sell documents at a price not

1 to exceed the cost of production and distribution. Money received
2 from the sale of these documents shall revert to the department. In
3 addition to the funds appropriated in part 1, these funds are
4 available for expenditure when they are received by the department
5 of treasury. This subsection applies only to R 418.10101 to R
6 418.101504 of the Michigan Administrative Code.

7 (2) Unexpended funds at the end of the fiscal year shall carry
8 forward to the subsequent fiscal year and not lapse to the general
9 fund.

10 Sec. 988. If the revenue collected by the department for
11 radiological health administration and projects from fees and
12 collections exceeds the amount appropriated in part 1, the revenue
13 may be carried forward into the subsequent fiscal year. The revenue
14 carried forward under this section shall be used as the first
15 source of funds in the subsequent fiscal year.

16

17 **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

18 Sec. 990. MSHDA shall annually present a report on the status
19 of the authority's housing production goals under all financing
20 programs established or administered by the authority. The report
21 shall give special attention to efforts to raise affordable housing
22 production goals, including single-family, multifamily, and
23 manufactured housing.

24 (2) MSHDA shall not restrict eligibility in any financing
25 program for housing units without a permanent foundation unless
26 this restriction is a requirement for federal funding.

27 Sec. 991. The funds appropriated in part 1 for the Michigan
28 housing and community development program shall be expended for
29 projects as described in sections 58b and 58c of the state housing

1 development authority act of 1966, 1966 PA 346, MCL 125.1458b and
2 125.1458c.

3
4 **STATE LAND BANK AUTHORITY**

5 Sec. 995. In addition to the amounts appropriated in part 1,
6 the state land bank authority may expend revenues received under
7 the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774,
8 for the purposes authorized by the act, including, but not limited
9 to, the acquisition, lease, management, demolition, maintenance, or
10 rehabilitation of real or personal property, payment of debt
11 service for notes or bonds issued by the authority, and other
12 expenses to clear or quiet title property held by the authority.
13

14 **MICHIGAN STRATEGIC FUND**

15 Sec. 1004. As a condition of receiving funds appropriated in
16 part 1, the MSF shall report all information required to be
17 transmitted in the activities report required under section 9 of
18 the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the
19 chairpersons of the senate and house of representatives standing
20 committees on appropriations and the report recipients required in
21 section 205 of this part by March 15.

22 Sec. 1005. In addition to the appropriations in part 1, Travel
23 Michigan may receive and expend private revenue related to the use
24 of "Pure Michigan" and all other copyrighted slogans and images.
25 This revenue may come from the direct licensing of the name and
26 image or from the royalty payments from various merchandise sales.
27 Revenue collected is appropriated for the marketing of this state
28 as a travel destination. The funds are available for expenditure
29 when they are received by the department of treasury. If the fund

1 receives revenues from the use of "Pure Michigan", the fund shall
2 provide a report that lists the revenues by source received from
3 the use of "Pure Michigan" and all other copyrighted slogans and
4 images. The report shall provide a detailed list of expenditures of
5 revenues received under this section. The report shall be provided
6 to the chairpersons of the senate and house of representatives
7 standing committees on appropriations and the report recipients
8 required in section 205 of this part by March 1.

9 Sec. 1005a. (1) From the funds appropriated in part 1 for Pure
10 Michigan and ARP - Pure Michigan, state fiscal recovery fund
11 dollars and general fund dollars shall be appropriated for the
12 following purposes:

13 (a) Conduction of market research regionally, nationally, and
14 internationally for use in market campaigns.

15 (b) Production of advertisements for the promotion of Michigan
16 as a place to live, work, and play.

17 (c) Placement of advertisements in regional, national, and
18 international market campaigns.

19 (d) Administration of the program.

20 (e) Other activities that promote Michigan as a place to live,
21 work, and play.

22 (f) Matching marketing campaigns funded from the local
23 promotion fund or private promotion fund.

24 (2) The fund may contract any of the activities under
25 subsection (1).

26 (3) The fund may work in cooperation with local units of
27 government, nonprofit entities, and private entities on Pure
28 Michigan promotion campaigns. The fund shall include agreements
29 prior to undertaking cooperative marketing campaigns.

1 Sec. 1005b. (1) A local promotion fund is created in the
2 department of labor and economic opportunity. The fund may receive
3 funds from local units of government and nonprofit entities and
4 deposit these funds into the local promotion fund. Funds received
5 are available for expenditure for use in Pure Michigan promotion
6 campaigns. The fund may maintain individual accounts for local
7 units of government and nonprofit entities that deposit funds into
8 the local promotion fund upon request from a local unit of
9 government. As used in this subsection, "local unit of government"
10 includes cities, villages, townships, counties, and regional
11 councils of government.

12 (2) Local promotion funds appropriated in part 1 may be used
13 for media production and placements, national and international
14 marketing campaigns, and for other activities that promote Michigan
15 as a place to live, work, and play.

16 (3) Any unexpended or unencumbered balance shall be disposed
17 of in accordance with the management and budget act, 1984 PA 431,
18 MCL 18.1101 to 18.1594, unless carryforward authorization has been
19 otherwise provided for.

20 Sec. 1005c. (1) A private promotion fund is created in the
21 department. The fund may receive funds from private entities and
22 deposit these funds into the private promotion fund. Funds received
23 are available for expenditure for use in Pure Michigan promotion
24 campaigns. The fund may maintain individual accounts for private
25 entities that deposit funds into the private promotion fund upon
26 request from a private entity.

27 (2) Private promotion funds appropriated in part 1 may be used
28 for media production and placements, national and international
29 marketing campaigns, and for other activities that promote Michigan

1 as a place to live, work, and play.

2 (3) Any unexpended or unencumbered balance shall be disposed
3 of in accordance with the management and budget act, 1984 PA 431,
4 MCL 18.1101 to 18.1594, unless carryforward authorization has been
5 otherwise provided for.

6 Sec. 1006. (1) As a condition of receiving funds appropriated
7 in part 1, the fund shall provide a report of all approved
8 amendments to projects for the immediately preceding year under
9 sections 88r and 90b of the Michigan strategic fund act, 1984 PA
10 270, MCL 125.2088r and 125.2090b. The report shall provide a
11 description of each amendment, by award, which shall include, but
12 is not limited to, the following:

13 (a) The amended award amount relative to the prior award
14 amount.

15 (b) The amended number of committed jobs relative to the prior
16 number of committed jobs.

17 (c) The amended amount of qualified investment committed
18 relative to the prior amount of qualified investment committed.

19 (d) A description of any change in scope of the project.

20 (e) A description of any change in project benchmarks,
21 deadlines, or completion dates.

22 (f) The reason or justification for the amendment approval.

23 (2) In addition to being posted online, the report shall be
24 distributed to the chairpersons of the senate and house of
25 representatives standing committees on appropriations and report
26 recipients required in section 205 of this part by March 15.

27 Sec. 1007. (1) As a condition of receiving funds appropriated
28 in part 1, the fund shall request the following information from
29 the MEDC:

1 (a) Approved budget from the MEDC executive committee for the
2 current fiscal year and actual budget expenditures for the
3 preceding fiscal years.

4 (b) Expenditures and revenues as part of the current and
5 preceding year budgets, including the available fund balance for
6 the current and preceding fiscal years.

7 (c) The total number of FTEs, by state and corporate status.

8 (d) A reporting of activities, programs, and grants consistent
9 with the preceding fiscal year budget.

10 (2) Information received by the MSF pursuant to this section
11 shall be posted online and distributed as a report to the
12 chairpersons of the senate and house of representatives standing
13 committees on appropriations and report recipients required in
14 section 205 of this part by March 15.

15 Sec. 1008. As a condition of receiving funds under part 1, any
16 interlocal agreement entered into by the fund shall include
17 language which states that if a local unit of government has a
18 contract or memorandum of understanding with a private economic
19 development agency, the MEDC will work cooperatively with that
20 private organization in that local area.

21 Sec. 1009. (1) Of the funds appropriated to the fund or
22 through grants to the MEDC, no funds shall be expended for the
23 purchase of options on land or the purchase of land unless at least
24 1 of the following conditions applies:

25 (a) The land is located in an economically distressed area.

26 (b) The land is obtained through a purchase or exercise of an
27 option at the invitation of the local unit of government and local
28 economic development agency.

29 (2) Consideration may be given to purchases where the proposed

1 use of the land is consistent with a regional land use plan, will
2 result in the redevelopment of an economically distressed area, can
3 be supported by existing infrastructure, and will not cause shifts
4 in population away from the area's population centers.

5 (3) As used in this section, "economically distressed area"
6 means an area in a city, village, or township that has been
7 designated as blighted; a city, village, or township that shows
8 negative population change from 1970 and a poverty rate and
9 unemployment rate greater than the statewide average; or an area
10 certified as a neighborhood enterprise zone under the neighborhood
11 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

12 (4) If land or options on land are purchased under subsection
13 (1), the fund shall provide a report to the senate and house of
14 representatives standing committees on appropriations and the
15 report recipients required in section 205 of this part that
16 provides a list of all properties purchased, all options on land
17 purchased, the location of the land purchased, and the purchase
18 price if the fund purchases options on land or land. The report
19 must be submitted before March 15.

20 Sec. 1010. As a condition for receiving funds in part 1, not
21 later than February 1, the fund shall provide a report for the
22 immediately preceding fiscal year on the jobs for Michigan
23 investment fund, created in section 88h of the Michigan strategic
24 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
25 to the chairpersons of the senate and house of representatives
26 standing committees on appropriations and the report recipients
27 required in section 205 of this part. The report shall include, but
28 is not limited to, all of the following:

29 (a) A detailed listing of revenues, by fund source, to the

1 jobs for Michigan investment fund. The listing shall include the
2 manner and reason for which the funds were appropriated to the jobs
3 for Michigan investment fund.

4 (b) A detailed listing of expenditures, by project, from the
5 jobs for Michigan investment fund.

6 (c) A fiscal year-end balance of the jobs for Michigan
7 investment fund.

8 Sec. 1011. (1) From the appropriations in part 1 to the fund
9 and granted or transferred to the MEDC, any unexpended or
10 unencumbered balance shall be disposed of in accordance with the
11 requirements in the management and budget act, 1984 PA 431, MCL
12 18.1101 to 18.1594, unless carryforward authorization has been
13 otherwise provided for.

14 (2) Any encumbered funds, including encumbered funds
15 subsequently unobligated, shall be used for the same purposes for
16 which funding was originally appropriated in this part and part 1.

17 (3) For funds appropriated in part 1 to the fund, any
18 carryforward authorization subsequently created through a work
19 project shall be preserved until a cash or accrued expenditure has
20 been executed or the allowable work project time period has
21 expired.

22 Sec. 1012. (1) As a condition of receiving funds under part 1,
23 the fund shall ensure that the MEDC and the fund comply with all of
24 the following:

25 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
26 15.246.

27 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

28 (c) Annual audits of all financial records by the auditor
29 general or the auditor general's designee.

1 (d) All reports required by law to be submitted to the
2 legislature.

3 (2) If the MEDC is unable for any reason to perform duties
4 under this part, the fund may exercise those duties.

5 Sec. 1013. As a condition for receiving the appropriations in
6 part 1, any staff of the MEDC involved in private fund-raising
7 activities shall not be party to any decisions regarding the
8 awarding of grants, incentives, or tax abatements from the fund,
9 the MEDC, or the Michigan economic growth authority.

10 Sec. 1024. From the funds appropriated in part 1 for business
11 attraction and community revitalization, not less than 20% shall be
12 granted by the fund board for brownfield redevelopment and historic
13 preservation projects under the community revitalization program
14 authorized by chapter 8C of the Michigan strategic fund act, 1984
15 PA 270, MCL 125.2090 to 125.2090d.

16 Sec. 1032. (1) The fund shall report to the chairpersons of
17 the senate and house of representatives standing committees on
18 appropriations and the report recipients required in section 205 of
19 this part on the status of the film incentives at the same time as
20 it submits the annual report required under section 455 of the
21 Michigan business tax act, 2007 PA 36, MCL 208.1455. The department
22 of treasury shall provide the fund with the data necessary to
23 prepare the report. Incentives included in the report shall include
24 all of the following:

25 (a) The tax credit provided under section 455 of the Michigan
26 business tax act, 2007 PA 36, MCL 208.1455.

27 (b) The tax credit provided under section 457 of the Michigan
28 business tax act, 2007 PA 36, MCL 208.1457.

29 (c) The tax credit provided under section 459 of the Michigan

1 business tax act, 2007 PA 36, MCL 208.1459.

2 (d) The amount of any tax credit claimed under former section
3 367 of the income tax act of 1967, 1967 PA 281.

4 (e) Any tax credits provided for film and digital media
5 production under the Michigan economic growth authority act, 1995
6 PA 24, MCL 207.801 to 207.810.

7 (f) Loans to an eligible production company or film and
8 digital media private equity fund authorized under section 88d(3),
9 (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL
10 125.2088d.

11 (2) The report shall include all of the following information:

12 (a) For each tax credit, the number of contracts signed, the
13 projected expenditures qualifying for the credit, and the estimated
14 value of the credits. For loans, the number of loans made under
15 each section, the interest rate of those loans, the loan amount,
16 the percent of the projected budget of each production financed by
17 those loans, and the estimated interest earnings from the loan.

18 (b) For credits authorized under section 455 of the Michigan
19 business tax act, 2007 PA 36, MCL 208.1455, for productions
20 completed by December 31, the expenditures of each production
21 eligible for the credit that has filed a request for certificate of
22 completion with the film office, broken down into expenditures for
23 goods, services, or salaries and wages and showing separately
24 expenditures in each local unit of government, including
25 expenditures for personnel, whether or not they were made to a
26 Michigan entity, and whether or not they were taxable under the
27 laws of this state. For loans, the report shall include the number
28 of loans that have been fully repaid, with principal and interest
29 shown separately, and the number of loans that are delinquent or in

1 default, and the amount of principal that is delinquent or is in
2 default.

3 (c) For each of the tax credit incentives and loan incentives
4 listed in subsection (1), a breakdown for each project or
5 production showing each of the following:

6 (i) The number of temporary jobs created.

7 (ii) The number of permanent jobs created.

8 (iii) The number of persons employed in Michigan as a result of
9 the incentive, on a full-time equated basis.

10 (3) For any information not included in the report due to the
11 provisions of section 455(6), 457(6), or 459(6) of the Michigan
12 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
13 the report shall do all of the following:

14 (a) Indicate how the information would describe the commercial
15 and financial operations or intellectual property of the company.

16 (b) Attest that the information has not been publicly
17 disseminated at any time.

18 (c) Describe how disclosure of the information may put the
19 company at a competitive disadvantage.

20 (4) Any information not disclosed due to the provisions of
21 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
22 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
23 presented at the lowest level of aggregation that would no longer
24 describe the commercial and financial operations or intellectual
25 property of the company.

26 Sec. 1034. As a condition of receiving an award from the fund,
27 each business incubator or accelerator that received an award from
28 the fund shall maintain and update a dashboard of indicators to
29 measure the effectiveness of the business incubator and accelerator

1 programs. Indicators shall include the direct jobs created, new
2 companies launched as a direct result of business incubator or
3 accelerator involvement, businesses expanded as a direct result of
4 business incubator or accelerator involvement, direct investment in
5 client companies, private equity financing obtained by client
6 companies, grant funding obtained by client companies, and other
7 measures developed by the recipient business incubators and
8 accelerators in conjunction with the MEDC. Dashboard indicators
9 shall be reported for the prior fiscal year and cumulatively, if
10 available. Each recipient shall submit a copy of their dashboard
11 indicators to the fund by March 1. The fund shall transmit the
12 local reports to the chairpersons of the senate and house of
13 representatives standing committees on appropriations and the
14 report recipients required in section 205 of this part by March 15.

15 Sec. 1035. (1) From the appropriations in part 1, the Michigan
16 arts and culture council shall administer an arts and cultural
17 grant program that maintains an equitable geographic distribution
18 of funding and utilizes past arts and cultural grant programs as a
19 guideline for administering this program. The council shall do all
20 of the following:

21 (a) On or before October 1, the council shall publish proposed
22 application criteria, instructions, and forms for use by eligible
23 applicants. The council shall provide at least a 2-week period for
24 public comment before finalizing the application criteria,
25 instructions, and forms.

26 (b) A nonrefundable application fee may be assessed for each
27 application. Application fees shall be deposited in the council for
28 the arts fund and are appropriated for expenses necessary to
29 administer the programs. These funds are available for expenditure

1 when they are received and may be carried forward to the following
2 fiscal year.

3 (c) Grants are to be made to public and private arts and
4 cultural entities.

5 (d) Within 1 business day after the award announcements, the
6 council shall provide to each member of the legislature and the
7 fiscal agencies a list of all grant recipients and the total award
8 given to each recipient, sorted by county.

9 (e) In addition to the information in subdivision (d), the
10 council shall report on the number of applications received, number
11 of grants awarded, total amount requested from applications
12 received, and total amount of grants awarded.

13 (2) The appropriation in part 1 for arts and cultural program
14 shall not be used for the administration of the grant program.

15 Sec. 1036. (1) The general fund/general purpose funds
16 appropriated in part 1 to the fund for business attraction and
17 community revitalization shall be transferred to the 21st century
18 jobs trust fund per section 90b(3) of the Michigan strategic fund
19 act, 1984 PA 270, MCL 125.2090b.

20 (2) Funds transferred to the 21st century jobs trust fund
21 under subsection (1) are appropriated and available for allocation
22 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
23 125.2001 to 125.2094.

24 Sec. 1041. From the funds appropriated in part 1 for business
25 attraction and community revitalization, the fund shall request the
26 transfer by the state treasurer of not more than 60% of the funds
27 prior to April 1.

28 Sec. 1042. For the funds appropriated in part 1 for business
29 attraction and community revitalization, the fund shall report

1 quarterly on the amount of funds considered appropriated, pre-
2 encumbered, encumbered, and expended. The report shall also include
3 a listing of all previous appropriations for business attraction
4 and community revitalization, or a predecessor, that were
5 considered appropriated, pre-encumbered, encumbered, or expended
6 that have lapsed back to the fund for any purpose. The report shall
7 be submitted to the chairpersons of the senate and house of
8 representatives standing committees on appropriations and the
9 report recipients required in section 205 of this part.

10 Sec. 1043. (1) The fund, in conjunction with the department of
11 treasury, shall report to the chairpersons of the senate and house
12 of representatives standing committees on appropriations and the
13 report recipients required in section 205 of this part by November
14 1 on the annual cost of the MEGA tax credits. The report shall
15 include for each year the board-approved credit amount, adjusted
16 for credit amendments where applicable, and the actual and
17 projected value of tax credits for each year from 1995 to the
18 expiration of the credit program. For years for which credit claims
19 are complete, the report shall include the total of actual
20 certificated credit amounts. For years for which claims are still
21 pending or not yet submitted, the report shall include a
22 combination of actual credits where available and projected
23 credits. Credit projections shall be based on updated estimates of
24 employees, wages, and benefits for eligible companies.

25 (2) In addition to the report under subsection (1), the fund,
26 in conjunction with the department of treasury, shall report by
27 November 1 on the annual cost of all other certificated credits by
28 program, for each year until the credits expire or can no longer be
29 collected. The report shall include estimates on the brownfield

1 redevelopment credit, film credits, MEGA photovoltaic technology
2 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
3 vehicle battery credit, and other certificated credits.

4 Sec. 1044. As a condition of receiving appropriations in part
5 1, prior to authorizing the transfer of any previously authorized
6 tax credit that would increase the liability to this state, the
7 fund, on behalf of the MSF board, shall report to the chairpersons
8 of the senate and house of representatives standing committees on
9 appropriations and the report recipients required in section 205 of
10 this part not fewer than 30 days prior to the authorization of the
11 tax credit transfer.

12 Sec. 1050. (1) From the funds appropriated in part 1 for
13 business attraction and community revitalization, the fund shall
14 identify specific outcomes and performance measures, including, but
15 not limited to, the following:

16 (a) Total verified jobs created by the business attraction
17 program during the prior fiscal year.

18 (b) Total private investment obtained through the business
19 attraction and community revitalization programs during the prior
20 fiscal year.

21 (c) Amount of private square footage created and reactivated
22 through the community revitalization program during the prior
23 fiscal year.

24 (2) The fund must submit a report to the chairpersons of the
25 senate and house of representatives standing committees on
26 appropriations and the report recipients required in section 205 of
27 this part by March 1. The report must describe the specific
28 outcomes and measures required in subsection (1) and provide the
29 results and data related to these outcomes and measures for the

1 prior fiscal year if related information is available for the prior
2 fiscal year.

3 Sec. 1051. In addition to the funds appropriated in part 1,
4 the funds collected by state historic preservation programs for
5 document reproduction and services and application fees are
6 appropriated for all expenses necessary to provide the required
7 services. These funds are available for expenditure when they are
8 received and may be carried forward into the succeeding fiscal
9 year.

10 Sec. 1052. From the funds appropriated in part 1 for job
11 creation services, the department shall allocate \$800,000.00 of
12 additional funding to the certified local government program
13 overseen by the state historic preservation office in addition to
14 the amount of funds allocated to the program in the prior fiscal
15 year.

16 Sec. 1053. Tax capture revenues collected in accordance with
17 written agreements under the good jobs for Michigan program and
18 transferred from the general fund for deposit into the good jobs
19 for Michigan fund, and for both calculated payments from the good
20 jobs for Michigan fund to authorized businesses and distributions
21 to the Michigan strategic fund for administrative expenses, are
22 appropriated pursuant to the provisions of chapter 8D of the
23 Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to
24 125.2090j.

25 Sec. 1054. The department shall provide a biannual report on
26 March 1 and September 30 that includes, but is not limited to,
27 fiscal year-to-date expenditures by division and program unit
28 within the job creation services line item.

29

EMPLOYMENT SERVICES

1 Sec. 1057. From the funds appropriated in part 1, the Michigan
2 occupational safety and health administration shall maintain
3 physical or electronic records of notes and documents in accordance
4 with this state's record retention policies pertaining to cases in
5 which an employer was issued a citation or a fine, or both, for a
6 violation of the Michigan occupational safety and health act, 1974
7 PA 154, MCL 408.1001 to 408.1094.

8 Sec. 1057a. The funds appropriated in part 1 for the
9 revitalization and placemaking program shall be expended for p
10 rojects as described in section 696 of the income tax act of
11 1967, 1967 PA 281, MCL 206.696.

12 Sec. 1057b. From the funds appropriated in part 1 for the wage
13 and hour program, the department shall increase investigations of
14 child labor violations and wage theft from workers.

15 Sec. 1058. From the funds appropriated in part 1, the
16 department shall, in accordance with the Wagner-Peyser Act, 29 USC
17 49 to 49L-2, and the settlement agreement arising out of *Michigan v*
18 *Herman*, 81 F Supp 2d 840 (WD Mich, 1998), continue to use local
19 merit staff and the Michigan Works! agencies to deliver employment
20 services.
21

22

WORKFORCE DEVELOPMENT

23 Sec. 1059. (1) The funds appropriated in part 1 for the Tri-
24 share child care program shall be awarded for the continuation of
25 the child care pilot project originally initiated and funded in
26 section 1047(31) of article 5 of 2020 PA 166.

27 (2) Except as provided in this subsection, funding
28 appropriated in part 1 must be used to fund existing child care
29

1 facilitator hubs. The department may fund new child care
2 facilitator hubs provided sufficient funding exists to support all
3 existing hubs, including hubs currently funded with private
4 dollars. Any new hubs added must increase the number of
5 participating counties or serve statewide employers.

6 (3) Any child care facilitator receiving funds under this
7 section must be a nonprofit, limited liability company, C-
8 corporation, S-corporation, or a sole proprietor.

9 (4) Not more than \$200,000.00 may be used for administration
10 of the program.

11 Sec. 1060. The department shall administer the PATH training
12 program in accordance with the requirements of section 407(d) of
13 title IV of the social security act, 42 USC 607, the social welfare
14 act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable
15 laws and regulations.

16 Sec. 1061. From the funds appropriated in part 1 for workforce
17 programs subgrantees, the department may allocate funding for
18 grants to nonprofit organizations that offer programs pursuant to
19 the workforce innovation and opportunity act, 29 USC 3101 to 3361,
20 eligible youth focusing on apprenticeship readiness, pre-
21 apprenticeship and apprenticeship activities, entrepreneurship,
22 work-readiness skills, job shadowing, and financial literacy.
23 Organizations eligible for funding under this section must have the
24 capacity to provide similar programs in urban areas, as determined
25 by the United States Census Bureau according to the most recent
26 federal decennial census. Additionally, programs eligible for
27 funding under this section must include the participation of local
28 business partners. The department shall develop other appropriate
29 eligibility requirements to ensure compliance with applicable

1 federal rules and regulations.

2 Sec. 1062. From the funds appropriated in part 1, the
3 department shall make available, in person or by telephone, 1
4 disabled veterans outreach program specialist or local veterans
5 employment representative to Michigan Works! service centers, as
6 resources permit, during hours of operation, and shall continue to
7 make the appropriate placement of veterans and disabled veterans a
8 priority.

9 Sec. 1063. (1) In addition to the funds appropriated in part
10 1, any unencumbered and unrestricted federal workforce innovation
11 and opportunity act, 29 USC 3101 to 3361, or trade adjustment
12 assistance funds available from prior fiscal years are appropriated
13 for the purposes originally intended.

14 (2) The department shall report by February 15 on the amount
15 by fiscal year of federal workforce innovation and opportunity act,
16 29 USC 3101 to 3361, funds appropriated under this section.

17 Sec. 1064. From the funds appropriated in part 1, the
18 department shall provide a report on going pro expenditures, by
19 program or grant type, for the prior fiscal year. In addition, the
20 report shall include projected expenditures, by program or grant
21 type, for the current fiscal year. The report shall be posted
22 online and distributed to the chairpersons of the senate and house
23 of representatives standing committees on appropriations and the
24 report recipients required in section 205 of this part by March 1.

25 Sec. 1065. (1) The department shall publish data and reports
26 on March 15 and September 30 on the department website concerning
27 the status of going pro funded in part 1. The report shall include
28 the following:

29 (a) The number of awardees participating in the program and

1 the names of those awardees organized by major industry group.

2 (b) The amount of funding received by each awardee under the
3 program.

4 (c) Amount of funding leveraged from each awardee.

5 (d) Training models established by each awardee.

6 (e) The number of individuals enrolled in classroom training,
7 on-the-job training, or new DOL registered apprentices.

8 (f) The number of qualified employees who completed the
9 approved training.

10 (g) The number of applications received and the number of
11 grants awarded for each region.

12 (h) The number of individuals hired and trained.

13 (i) Going pro expenditures, by program or grant type, for the
14 prior fiscal year and projected expenditures, by program or grant
15 type, for the current fiscal year.

16 (2) The department shall expand workforce training and
17 reemployment services to better connect workers to in-demand jobs
18 and identify specific outcomes with performance metrics for going
19 pro, including, but not limited to, new apprenticeships,
20 individuals to be hired and trained, current employees trained,
21 training completed, and employment retention rate at 6 months, and
22 hourly wage at 6 months.

23 Sec. 1066. To the extent consistent with sections 7 and 9 of
24 the going pro talent fund act, 2018 PA 260, MCL 408.157 and
25 408.159, the department shall administer the program as follows:

26 (a) The department shall work cooperatively with grantees to
27 maximize the amount of funds from part 1 that are available for
28 direct training.

29 (b) The department, workforce development partners, including

1 regional Michigan Works! agencies, and employers shall collaborate
2 and work cooperatively to prioritize and streamline the expenditure
3 of the funds appropriated in part 1. The department shall ensure
4 that going pro provides a collaborative statewide network of
5 workforce and employee skill development partners that addresses
6 the employee talent needs throughout this state.

7 (c) The department shall ensure that grants are utilized for
8 individual skill enhancement and to address in-demand talent needs
9 in Michigan.

10 (d) The department shall develop program goals and detailed
11 guidance for prospective participants to follow to qualify under
12 the program. The program goals and detailed guidance shall be
13 posted on the department website and distributed to workforce
14 development partners, including local Michigan Works! agencies, by
15 October 1. Periodic assessments of employer and employee needs
16 shall be evaluated on a regional basis, and the department shall
17 identify solutions and goals to be implemented to satisfy those
18 needs. The department shall notify the senate and house of
19 representatives standing committees on appropriations, the relevant
20 senate and house of representatives appropriations subcommittees,
21 the senate and house fiscal agencies, and the state budget director
22 on any program goal, solution, or guidance changes not fewer than
23 14 days prior to the finalization and publication of the changes.
24 Revenue received by the department for going pro may be expended
25 for the purpose of those programs.

26 (e) Up to \$250,000.00 of the funds shall be awarded to a
27 national, nonprofit program that connects national guard, reserve,
28 retired, and transitioning active-duty military service members
29 with skilled training and quality career opportunities in the

1 construction industry. Grant funding must be used to recruit and
2 assist veterans to transition into apprenticeship programs in this
3 state.

4 Sec. 1067. The funds appropriated in part 1 for MiSTEM
5 advisory council shall be used to support the staff for the MiSTEM
6 network, and for administrative, training, and travel costs related
7 to the MiSTEM council. The staff for the MiSTEM network shall do
8 all of the following:

9 (a) Serve as a liaison among and between the department, the
10 department of education, the MiSTEM council, the governor's
11 workforce development board, the MiSTEM regions, and any other
12 relevant organization or entity in a manner that creates a robust
13 statewide STEM culture, that empowers STEM teachers, that
14 integrates business and education into the STEM network, and that
15 ensures high-quality STEM experiences for pupils.

16 (b) Coordinate the implementation of a marketing campaign,
17 including, but not limited to, a website that includes dashboards
18 of outcomes, to build STEM awareness and communicate STEM needs and
19 opportunities to pupils, parents, educators, and the business
20 community.

21 (c) Work with the department of education and the MiSTEM
22 council to coordinate, award, and monitor MiSTEM state and federal
23 grants to the MiSTEM network regions and conduct reviews of grant
24 recipients, including, but not limited to, pupil experience and
25 feedback.

26 (d) Report to the governor, the legislature, and the MiSTEM
27 council annually on the activities and performance of the MiSTEM
28 network regions.

29 (e) Coordinate recurring discussions and work with regional

1 staff to ensure that a network or loop of feedback and best
2 practices are shared, including funding, programming, professional
3 learning opportunities, discussion of MiSTEM strategic vision, and
4 regional objectives.

5 (f) Coordinate major grant application efforts with the MiSTEM
6 council to assist regional staff with grant applications on a local
7 level. The MiSTEM council shall leverage private and nonprofit
8 relationships to coordinate and align private funds in addition to
9 funds appropriated under this section.

10 (g) Train state and regional staff in the STEMworks rating
11 system, in collaboration with the MiSTEM council and the department
12 of education.

13 (h) Hire MiSTEM network region staff in collaboration with the
14 network region fiscal agent.

15 Sec. 1068. (1) Of the funds appropriated in part 1 for
16 workforce development, the department shall provide a report by
17 March 15 on the status of the workforce development. The report
18 shall include the following:

19 (a) The amount of funding allocated to each Michigan Works!
20 agency and the total funding allocated to the workforce training
21 programs statewide by fund source.

22 (b) The number of participants enrolled in education or
23 training programs by each Michigan Works! agency.

24 (c) The average duration of training for training program
25 participants by each Michigan Works! agency.

26 (d) The number of participants enrolled in remedial education
27 programs and the number of participants enrolled in literacy
28 programs.

29 (e) The number of participants enrolled in programs at 2-year

1 institutions.

2 (f) The number of participants enrolled in programs at 4-year
3 institutions.

4 (g) The number of participants enrolled in proprietary schools
5 or other technical training programs.

6 (h) The number of participants that have completed education
7 or training programs.

8 (i) The number of participants who secured employment in
9 Michigan within 1 year of completing a training program.

10 (j) The number of participants who completed a training
11 program and secured employment in a field related to their
12 training.

13 (k) The average wage earned by participants who completed a
14 training program and secured employment within 1 year.

15 (l) The actual revenues received by the fund source and fund
16 appropriated for each discrete workforce development program area.

17 (2) Data collection for the report shall be for the prior
18 state fiscal year.

19 Sec. 1069. From the funds appropriated in part 1 for adult
20 literacy opportunity fund, the department shall allocate
21 \$4,725,000.00 to a 501(c)(3) nonprofit organization formed in 1983
22 whose mission is to engage in partnerships, provide member support,
23 and advocate for lifelong learning, leading to employment and self-
24 sufficient families and that is located in a city with a population
25 between 111,000 and 114,000 according to the most recent federal
26 decennial census for a grant program for adult education programs.
27 The nonprofit shall submit an annual report on how funding was
28 spent. Each recipient receiving a grant from the program must be a
29 501(c)(3) organization and shall receive a cost allocation of

1 \$2,000.00 per learner, up to \$150,000.00 per grant recipient.

2 Sec. 1070. (1) The funds appropriated in part 1 for the 23+
3 high school diploma program must be awarded for a program to assist
4 adults over 23 years of age in obtaining high school diplomas and
5 placement in career training programs.

6 (2) For purposes of this section, an eligible program provider
7 may be a public, nonprofit, or private accredited diploma-granting
8 institution, but must have at least 2 years of experience providing
9 dropout recovery services in this state.

10 (3) The department shall issue a request for qualifications
11 for eligible program providers to participate in the pilot program.
12 To be considered a qualified program provider, the institution must
13 possess all of the following:

14 (a) Experience providing dropout reengagement services.

15 (b) Ability to provide academic intake assessments.

16 (c) Capacity to provide an integrated learning plan.

17 (d) Course catalog that includes access to all graduation
18 requirements.

19 (e) Capability to provide remediation coursework.

20 (f) Means to provide academic resilience assessment and
21 intervention.

22 (g) Capacity to provide employability skills development.

23 (h) Ability to provide WorkKeys preparation.

24 (i) Ability to provide industry credentials.

25 (j) Capability to provide credit for on-the-job training.

26 (k) Access to a robust support framework, including
27 technology, social support, and academic support accredited by a
28 recognized accrediting body.

29 (4) The department shall announce qualified program providers

1 no later than January 1 of the current fiscal year. Qualified
2 program providers must start providing programming by February 1 of
3 the current fiscal year.

4 (5) The department shall reimburse qualified program providers
5 for each month of satisfactory monthly progress as described in
6 section 23a of the state school aid act of 1979, 1979 PA 94, MCL
7 388.1623a, at a rate of \$500.00 per month. A payment shall be made
8 to a qualified program provider for the completion of the following
9 by a pupil:

10 (a) \$500.00 for the completion of an employability skills
11 certification program equal to at least 1 unit of high school
12 credit obtained through classroom or online instruction.

13 (b) \$250.00 for the attainment of an industry-recognized
14 credential requiring up to 50 hours of training.

15 (c) \$500.00 for the attainment of an industry-recognized
16 credential requiring 50 to 100 hours of training.

17 (d) \$750.00 for the attainment of an industry-recognized
18 credential requiring more than 100 hours of training.

19 (e) \$1,000.00 for attainment of a high school diploma.

20 (f) \$2,500.00 for placement in a job in an in-demand career
21 pathway.

22 (6) The department shall develop policies and guidelines to
23 implement this section.

24 Sec. 1071. The funds appropriated in part 1 for at-risk youth
25 grants must be awarded to the Michigan franchise holder of the
26 national Jobs for America's Graduates program for the
27 administration of the Jobs for Michigan's Graduates program.

28 Sec. 1072. (1) The funds appropriated in part 1 for the high
29 school equivalency-to-school program shall be used for the purpose

1 of funding the cost of high school equivalency testing and
2 certification as provided by this section. The department shall
3 administer a Michigan high school equivalency-to-school program,
4 which shall cover the cost of providing the high school equivalency
5 test free of charge to individuals who meet all of the following
6 requirements:

7 (a) The individual has not previously been administered a high
8 school equivalency test free of charge under this section.

9 (b) The individual meets at least 1 of the following
10 requirements:

11 (i) Prior to taking the high school equivalency test, the
12 individual successfully completed a department-approved high school
13 equivalency preparation program.

14 (ii) Prior to taking the high school equivalency test, the
15 individual completed the official high school equivalency practice
16 test and the individual's score indicated that he or she is likely
17 to pass.

18 (2) A department-approved high school equivalency preparation
19 program shall include all of the following:

20 (a) Instructional and tutorial assistances.

21 (b) High school equivalency test practice.

22 (c) Required attendance at program instructional sessions.

23 (d) A curriculum that prepares students for opportunities in
24 postsecondary education and the job market.

25 (e) Information on potential postsecondary and career
26 pathways.

27 (f) Counseling on preparing for and applying to college.

28 (g) Personal and job readiness skills development.

29 (h) Comprehensive information on college costs and financial

1 aid.

2 (i) College and career assessments.

3 (j) Computer-based instruction, practice, or remediation.

4 (3) The department shall post online an announcement of the
5 Michigan high school equivalency-to-school program, minimum
6 standards for high school equivalency preparation program approval,
7 and approval procedures.

8 (4) The department shall do all of the following:

9 (a) Develop procedures consistent with this section under
10 which individuals can take the high school equivalency test without
11 charge.

12 (b) Provide program information for educators and students on
13 the department website, including explanations of the procedures
14 developed under this subsection, and contact information for
15 questions about the program.

16 (c) Provide an estimate of the full-year cost of the program
17 to the report recipients required in section 205.

18 (5) By September 30, the department shall report on
19 utilization of the high school equivalency incentive program,
20 including numbers of high school equivalency certifications issued
21 by location, year-to-date expenditures, and numbers of participants
22 qualifying under subsection (1) (b) (i) or (ii), or both.

23 Sec. 1073. The funds appropriated in part 1 for the Michigan
24 reconnect grant program shall be distributed pursuant to the
25 Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709.
26 In compliance with section 5 of the Michigan reconnect grant act,
27 2020 PA 84, MCL 390.1705, the funds appropriated in part 1 shall be
28 expended to award grants, administer the program, and support the
29 duties outlined in section 5 of the Michigan reconnect grant act,

1 2020 PA 84, MCL 390.1705.

2

3 **UNEMPLOYMENT**

4 Sec. 1074. The unemployment insurance agency shall provide a
5 report updated at least quarterly that includes, but is not limited
6 to, fiscal year-to-date expenditures by division and program unit.
7 Each quarterly report shall be transmitted within 60 days after the
8 end of the quarter.

9 Sec. 1075. (1) From the funds appropriated in part 1, the
10 department on behalf of the unemployment insurance agency shall
11 provide a quarterly report within 15 days after the end of each
12 quarter to the members of the senate and house committees on
13 appropriations and the report recipients required in section 205 of
14 this part that includes, but is not limited to, the following:

15 (a) The 4-week average number of unique claimants.

16 (b) The 4-week average number of eligible claimants with
17 certification.

18 (c) The 4-week average number of claims paid.

19 (d) The total amount of standard unemployment insurance
20 payments paid for the month.

21 (e) The total amount of unemployment insurance tax generated
22 for the quarter.

23 (f) The balance of the Michigan unemployment trust fund at the
24 end of the quarter.

25 (2) The department shall include the same information required
26 in subsection (1) for the previous 12 months. The department shall
27 include the most recent quarterly report on the department's
28 webpage.

29 Sec. 1076. From the funds appropriated in part 1, the

1 department shall provide a quarterly report within 15 days after
2 the end of each quarter to the members of the senate and house
3 committees on appropriations and the report recipients required in
4 section 205 of this part that includes, but is not limited to, the
5 following:

6 (a) The number of new fraudulent and noncompliant cases that
7 have been identified or issued by the unemployment insurance
8 agency, classified by employer or claimant, during the quarter.

9 (b) The total amount of penalties and interest issued on
10 fraudulent and noncompliant cases during the quarter.

11 (c) The total amount of penalties and interest dollars
12 received during the quarter by employer or claimant.

13 (d) The total amount of penalties and interest still owed to
14 this state by employer or claimant.

15 (e) The number of fraudulent and noncompliant cases that have
16 been appealed by an employer or claimant during the quarter.

17 Sec. 1077. The funds appropriated in part 1 for unemployment
18 insurance agency shall be used to staff unemployment insurance
19 agency branch offices for in-person appointments for unemployment
20 insurance agency claimant services.

21 Sec. 1077a. Funds appropriated in part 1 for the unemployment
22 insurance agency may be used by the unemployment insurance agency
23 to increase capacity by an estimated 500 limited-term employees
24 only if the unemployment insurance agency provides full-time, in-
25 person services at all existing unemployment insurance local
26 offices.

27 Sec. 1078. (1) From the funds appropriated in part 1 for the
28 unemployment insurance agency, the department shall maintain
29 customer service standards for employers and claimants making use

1 of the various means by which they can access the system.

2 (2) The department shall identify specific outcomes and
3 performance metrics for this initiative, including, but not limited
4 to, the following:

- 5 (a) Unemployment benefit fund balance.
- 6 (b) Process improvement - fiscal integrity.
- 7 (c) Process improvement - determination timeliness.
- 8 (d) Process improvement - determination quality.

9 Sec. 1079. (1) The department shall provide reporting
10 regarding the interagency agreement with the department of health
11 and human services, which concerns TANF funding to provide job
12 readiness and welfare-to-work programming. The reporting shall
13 include specific outcome and performance reporting requirements as
14 described in this section. TANF funding provided to the department
15 in the current fiscal year is contingent on compliance with the
16 data and reporting requirements described in this section. The
17 department shall provide all of the following items for the
18 previous year to the senate and house appropriations committees and
19 the report recipients required in section 205 of this part by
20 January 1 of the current fiscal year:

21 (a) An itemized spending report on TANF funding, including all
22 of the following:

- 23 (i) Direct services to clients.
- 24 (ii) Administrative expenditures.

25 (b) The number of family independence program clients served
26 through the TANF funding, including all of the following:

27 (i) The number and percentage who obtained employment through
28 Michigan Works!

29 (ii) The number and percentage who fulfilled their TANF work

1 requirement through other job readiness programming.

2 (iii) Average TANF spending per client.

3 (iv) The number and percentage of clients who were referred to
4 Michigan Works! but did not receive a job or job readiness
5 placement and the reasons why.

6 (2) Not later than March 15 of the current fiscal year, the
7 department shall provide to the senate and house appropriations
8 subcommittees on health and human services and the report
9 recipients required in section 205 of this part an annual report on
10 the following matters itemized by Michigan Works! agency: the
11 number of referrals to Michigan Works! job readiness programs, the
12 number of referrals to Michigan Works! job readiness programs who
13 became a participant in the Michigan Works! job readiness programs,
14 the number of participants who obtained employment, and the cost
15 per participant case.

16 (3) As used in this section, "TANF" means temporary assistance
17 for needy families as described in 42 USC 601 to 619.

18 Sec. 1080. Funds earned or authorized by the DOL in addition
19 to the appropriation in part 1 for the unemployment insurance
20 agency are appropriated and may be expended for staffing and r
21 elated expenses incurred in the operation of its programs.
22 These f unds may be spent after the department notifies the state
23 budget d irector and the relevant subcommittees of the purpose and
24 amount o f each grant award.

25

26 **REHABILITATION SERVICES**

27 Sec. 1081. The Michigan rehabilitation services and bureau of
28 services for blind persons shall work collaboratively with service
29 organizations and government entities to identify allowable match

1 dollars to secure available federal vocational rehabilitation
2 funds.

3 Sec. 1082. From the funds appropriated in part 1, the
4 department shall provide an annual report by February 1 on efforts
5 taken to improve the Michigan rehabilitation services. The report
6 shall include all of the following line items:

7 (a) Reductions and changes in administration costs and
8 staffing.

9 (b) Service delivery plans and implementation steps achieved.

10 (c) Reorganization plans and implementation steps achieved.

11 (d) Plans to integrate Michigan rehabilitative services
12 programs into other services provided by the department.

13 (e) Quarterly expenditures by major spending category.

14 (f) Employment and job retention rates from both Michigan
15 rehabilitation services and its nonprofit partners.

16 (g) Success rate of each district in achieving the program
17 goals.

18 Sec. 1083. (1) From the funds appropriated in part 1 for
19 Michigan rehabilitation services, the department shall allocate
20 funding along with available federal match to support the provision
21 of vocational rehabilitation services to eligible agricultural
22 workers with disabilities. Authorized services shall assist
23 agricultural workers with disabilities in acquiring or maintaining
24 quality employment and independence.

25 (2) By March 1 of the current fiscal year, the department
26 shall report on the total number of clients served and the total
27 amount of federal matching funds obtained throughout the duration
28 of the program.

29 Sec. 1084. If the department is at risk of entering into an

1 order of selection for services, the department shall report that
2 there is a risk within 2 weeks of receiving notification.

3 Sec. 1086. (1) Funds appropriated in part 1 for independent
4 living shall be used to support the general operations of centers
5 for independent living in delivering mandated independent living
6 services in compliance with federal rules and regulations,
7 including 45 CFR Part 1329, for the centers, by existing centers
8 for independent living to serve underserved areas, and for projects
9 to build the capacity of centers for independent living to deliver
10 independent living services. Applications for the funds shall be
11 reviewed in accordance with criteria and procedures established by
12 the department. Funds shall be used in a manner consistent with the
13 state plan for independent living. Services provided should assist
14 people with disabilities to move toward self-sufficiency,
15 including, but not limited to, support for accessing transportation
16 and health care, obtaining employment, community living, nursing
17 home transition, information and referral services, education,
18 youth transition services, veterans, and stigma reduction
19 activities and community education. This includes the independent
20 living guide services that specifically focus on economic self-
21 sufficiency.

22 (2) In partnership with service providers, the department
23 shall provide a report by March 1 of the current fiscal year on
24 direct customer and system outcomes and performance measures.

25 Sec. 1087. (1) The appropriation in part 1 for the bureau of
26 services for blind persons includes funds for case services. These
27 funds may be used for tuition payments for blind clients.

28 (2) Revenue collected by the bureau of services for blind
29 persons and from private and local sources that is unexpended at

1 the end of the fiscal year must carry forward to the subsequent
2 fiscal year.

3 Sec. 1088. The bureau of services for blind persons may
4 provide and enter into agreements to provide general services,
5 training, meetings, information, special equipment, software,
6 facility use, and technical consulting services to other principal
7 executive departments, state agencies, local units of government,
8 the judicial branch of government, other organizations, and patrons
9 of department facilities. The department may charge fees for these
10 services that are reasonably related to the cost of providing the
11 services. In addition to the funds appropriated in part 1, funds
12 collected by the department for these services are appropriated for
13 all expenses necessary. The funds appropriated under this section
14 are allotted for expenditure when they are received by the
15 department of treasury.

16 Sec. 1089. (1) The funds appropriated in part 1 for a regional
17 or subregional library shall not be released until a budget for
18 that regional or subregional library has been approved by the
19 department for expenditures for library services directly serving
20 the blind and persons with disabilities.

21 (2) In order to receive subregional state aid as appropriated
22 in part 1, a regional or subregional library's fiscal agency shall
23 agree to maintain local funding support at the same level in the
24 current fiscal year as in the fiscal agency's preceding fiscal
25 year. If a reduction in expenditures equally affects all agencies
26 in a local unit of government that is the regional or subregional
27 library's fiscal agency, that reduction shall not be interpreted as
28 a reduction in local support and shall not disqualify a regional or
29 subregional library from receiving state aid under part 1. If a

1 reduction in income affects a library cooperative or district
 2 library that is a regional or subregional library's fiscal agency
 3 or a reduction in expenditures for the regional or subregional
 4 library's fiscal agency, a reduction in expenditures for the
 5 regional or subregional library shall not be interpreted as a
 6 reduction in local support and shall not disqualify a regional or
 7 subregional library from receiving state aid under part 1.

8

9 **COMMISSIONS**

10 Sec. 1090. From the funds appropriated in part 1, the office
 11 of global Michigan is to coordinate with the Asian Pacific American
 12 affairs commission, the Commission on Middle Eastern American
 13 affairs, and the Hispanic/Latino commission of Michigan to produce
 14 a report by January 31. The report shall include, but is not
 15 limited to, the following:

16 (a) Total number of people with whom each commission directly
 17 interacts through programming.

18 (b) Total number of public events that each commission
 19 conducted.

20 (c) Description of the activities that the commissions
 21 initiated to promote cooperation between the commissions.

22 (d) Total number of meetings that each commission held with
 23 foreign diplomats.

24 (e) Programmatic costs of each commission.

25 Sec. 1091. An expenditure of funds appropriated in part 1 by
 26 the Asian Pacific American affairs commission, the commission on
 27 Middle Eastern American affairs, or the Hispanic/Latino commission
 28 of Michigan for a commission event must be directly related to the
 29 mission statement of that commission.

1 Sec. 1091a. From the funds appropriated in part 1 for Michigan
2 community service commission, the department shall allocate
3 \$150,000.00 of additional funding to the mentor Michigan program
4 over the amount of any funds allocated to the program in the prior
5 fiscal year.

6 Sec. 1092. The office of global Michigan must produce and
7 transmit a report by January 31. The report may include other
8 information, but it must include all of the following:

9 (a) A description of the major programs and activities of the
10 office of global Michigan and the number of individuals served
11 through those programs.

12 (b) The number of refugee arrivals, the job placement rate of
13 those refugees actively receiving services under the global
14 Michigan grants, and the average wage and initial job placements
15 for those refugees.

16 (c) The number of job seekers and the number of employers that
17 the office has served through the Michigan international talent
18 solutions program.

19 (d) The number of program, partner, and employer referrals
20 conducted through the Michigan international talent solutions
21 program.

22 (e) A description of the activities that the office has
23 conducted to attract and retain international, advanced degree, and
24 entrepreneurial talent.

25

26 **ONE-TIME APPROPRIATIONS**

27 Sec. 1093. (1) From the funds appropriated in part 1 for the
28 Michigan regional empowerment program, the department shall support
29 the growth, development, diversification, and resiliency of

1 regional economies in the state by creating a competitive grant
 2 program to leverage multijurisdictional partnerships through
 3 transformational investments that fulfill the objectives of a local
 4 or regional plan and provide long-term sustainable economic benefit
 5 to the local region and the state.

6 (2) The department, in collaboration with the Michigan
 7 strategic fund, shall develop program guidelines and eligibility
 8 criteria for the program and post that information on its publicly
 9 accessible website prior to the due date of the application. The
 10 program guidelines developed by the department, at a minimum, shall
 11 include the following:

12 (a) Eligible applicants shall be one or more local units of
 13 government and one or more of the following: multijurisdictional
 14 quasi-governmental agency, nonprofit organization, tribal
 15 government, regional planning organization, or economic development
 16 organization as part of a collaborative partnership. The economic
 17 regions may be self-determined by local governments and their m
 18 ultijurisdictional partners. The department shall ensure there
 19 is g eographic equity in the selection of grant awards.

20 (b) Eligible projects shall be transformational and derived
 21 from existing local government or multijurisdictional economic d
 22 evelopment or other locally derived plans that provide long-
 23 term sustainable economic benefit to the local region and the
 24 state. Eligible projects may include, but are not limited to,
 25 attainable h ousing, small business development, brownfield
 26 redevelopment, c ommercial and mixed-use development,
 27 manufacturing, agricultural p roduction, capital and climate
 28 resilient infrastructure, education a nd workforce development,
 29 and tourism.

1 (c) Eligible projects shall include, at a minimum, a 20% local
2 cost share.

3 (3) The department shall execute a grant agreement with each
4 awardee as a condition of the award. The grant agreement shall
5 include, but is not limited to, a description of the project for
6 which the grant funds will be expended, including tentative
7 timeline, estimated budget, and commitment of local cost share
8 resources. No expenditures outside of the project purpose, as
9 stated in the executed grant agreement, shall be expended from
10 appropriations in part 1. The grant agreement shall require the
11 awardee to provide sufficient documentation, as determined by the
12 department, to verify that all expenditures were made in accordance
13 with the project purpose. The grant agreement shall require the
14 submission of quarterly reports from the awardee to the department,
15 not to the report recipients required in section 205 of this part,
16 that provide the status of the project and the accounting of all
17 funds expended by the awardee to date. The department shall also
18 require a claw-back provision that allows the state to recoup or
19 otherwise collect any funds that are declined, unspent, or
20 otherwise misused. The awardee shall respond to all reasonable
21 information requests from the department related to the grant or
22 expenditures from the grant and shall retain grant records for a
23 period of not less than 3 years, and consent to audit and site
24 visits as determined by the department. All funds awarded shall be
25 expended by September 30, 2028. If at that time, as evidenced by
26 the quarterly reports, any unexpended state funds remain, those
27 funds shall be returned by the grantee to the state treasury. The
28 state budget director may, on a case-by-case basis, extend this
29 deadline, upon request by an awardee.

1 (4) From the appropriation in part 1, the department may hire
2 limited-term employees and may expend up to 1% for administrative
3 implementation and oversight of the program.

4 Sec. 1094. (1) From the funds appropriated in part 1 for ARP -
5 community downtown and business corridor economic development
6 program, the Michigan strategic fund shall provide competitive
7 grants to local community partners to address community
8 redevelopment, placemaking, climate resilient infrastructure,
9 business corridor development, housing, and other infrastructure
10 and community investment needs to spur growth and economic
11 development in areas that are densely populated, walkable, social
12 and economic centers of a community. These grant dollars will
13 support projects in commercial cores, specifically areas of
14 commercial and mixed uses where there is already intensive public
15 and private capital investment. Expenditures under this section
16 must comply with federal regulations established by the American
17 rescue plan act of 2021, Public Law 117-2, including all
18 regulations and requirements around the use of the state fiscal
19 recovery fund and are intended to be for projects that support and
20 enhance sectors that have been adversely impacted by the COVID-19
21 pandemic.

22 (2) The Michigan strategic fund, in collaboration with the
23 department, shall develop program guidelines and eligibility
24 criteria for the program and post that information on its publicly
25 accessible website. The program guidelines shall, at a minimum,
26 include the following:

27 (a) Eligible applicants shall be local units of government,
28 downtown development authorities, principal shopping districts, or
29 community economic development collaboratives, as determined by the

1 Michigan strategic fund.

2 (b) Eligible projects may be derived from existing local
3 government strategic plans, master plans, economic development
4 strategies, and similar locally adopted planning documents and may
5 include one-time capital grants for community redevelopment
6 projects, brownfield redevelopment, placemaking, business corridor
7 development, attainable housing, and other capital and climate
8 resilient infrastructure needed to support economic growth and
9 diversification.

10 (c) Grant funds shall be allocated to each of the 10
11 prosperity regions based on the 2020 federal decennial census to
12 ensure geographic equity by the program. Projects shall then be
13 awarded in each of the regions. No individual grant award shall
14 exceed 30% of the of the total allocation for that prosperity
15 region.

16 (d) Eligible projects shall include, at a minimum, a 20% local
17 cost share in communities with a population of 15,000 or more or a
18 10% local cost share in communities with a population of less than
19 15,000 as determined by the 2020 federal decennial census.

20 (3) As used in this section, "local units of government" means
21 cities, villages, or townships.

22 Sec. 1094e. From the funds appropriated in part 1 for Focus:
23 HOPE, \$1,000,000.00 may be awarded to Focus: HOPE for education and
24 workforce development programming, early childhood education, youth
25 development, food assistance, or community empowerment and
26 advocacy.

27 Sec. 1095. (1) From the funds appropriated in part 1 for
28 Michigan infrastructure grants, \$8,000,000.00 shall be allocated to
29 a city with a population of between 9,900 and 10,000 located in a

1 county with a population of between 175,800 and 175,900 according
2 to the most recent decennial census for a road construction
3 project.

4 (2) From the funds appropriated in part 1 for Michigan
5 infrastructure grants, \$20,000,000.00 shall be allocated for an
6 intermodal road and revitalization project in a commercial and
7 entertainment district located in a city with a population greater
8 than 600,000 according to the most recent federal decennial census.

9 (3) From the funds appropriated in part 1 for Michigan
10 infrastructure grants, \$2,100,000.00 shall be allocated to a city
11 with a population of between 1,700 and 1,750 located in a county
12 with a population of between 406,000 and 407,000 according to the
13 most recent federal decennial census for a street infrastructure
14 project.

15 (4) From the funds appropriated in part 1 for Michigan
16 infrastructure grants, \$1,744,000.00 shall be allocated to a city
17 with a population of between 28,600 and 28,700 located in a county
18 with a population of greater than 1,750,000 according to the most
19 recent federal decennial census for a road construction project.

20 (5) From the funds appropriated in part 1 for Michigan
21 infrastructure grants, \$1,400,000.00 shall be allocated to a city
22 with a population of between 40,200 and 40,300 located in a county
23 with a population of greater than 1,750,000 according to the most
24 recent federal decennial census for a road construction project.

25 (6) From the funds appropriated in part 1 for Michigan
26 infrastructure grants, \$1,900,000.00 shall be allocated for an
27 airport infrastructure project at a county-owned airport located in
28 a county with a population of between 175,800 and 175,900 according
29 to the most recent federal decennial census.

1 (7) From the funds appropriated in part 1 for Michigan
2 infrastructure grants, \$100.00 shall be allocated for a bridge
3 repair project located in a city with a population of between
4 60,000 and 63,000 according to the most recent federal decennial
5 census.

6 Sec. 1096. (1) From the funds appropriated in part 1 for
7 Michigan infrastructure grants, the department shall execute a
8 grant agreement with each recipient, pursuant to subsection (2).
9 All grant funds are considered direct appropriations and, subject
10 to receipt of all information under subsections (2) and (3), shall
11 be disbursed by the department, as determined by the grant
12 agreement. Any funds that are granted to a state department are
13 appropriated in that department for the purpose of the intended
14 grant. An initial disbursement of 50% shall be provided to the
15 grantee upon execution of the grant agreement.

16 (2) The department shall execute a grant agreement with each
17 recipient in order to receive funding. The grant agreement shall
18 include, but is not limited to, all of the following:

19 (a) All necessary identifying information for the recipient,
20 including any necessary tax identification information.

21 (b) A description of the project for which the grant funds
22 will be expended, including tentative timelines and the estimated
23 budget. No expenditures outside of the project purpose, as stated
24 in the executed grant agreement, shall be reimbursed from
25 appropriations in part 1. Funds appropriated in part 1 may only be
26 used for expenditures that occur on or after the effective date of
27 this act, unless specifically authorized in section 1095.

28 (c) A requirement that after the initial 50% disbursement,
29 additional funds shall only be disbursed after verification that

1 the initial payment has been fully expended, in accordance with the
2 project purpose. The remaining funds shall be disbursed in a manner
3 specified in the grant agreement. The grantee must provide
4 sufficient documentation, as determined by the department, to
5 verify that all expenditures were made in accordance with the
6 project purpose.

7 (d) A requirement for quarterly reports from the recipient to
8 the department, not to the report recipients required in section
9 205 of this part, that provide the status of the project and an
10 accounting of all funds expended by the recipient.

11 (e) A claw-back provision that allows this state to recoup or
12 otherwise collect any funds that are declined, unspent, or
13 otherwise misused.

14 (3) The grantee shall respond to all reasonable information
15 requests from the department related to grant expenditures and
16 retain grant records for a period of not less than 3 years, and the
17 grant may be subject to audit and site visits as determined by the
18 department. The grant agreement required under subsection (2) shall
19 include signed assurance by the chief executive officer or other
20 executive officer of the grant recipient that this requirement will
21 be met.

22 (4) All funds awarded shall be expended by the recipient, and
23 projects completed, by September 30, 2027. If at that time, as
24 evidenced by the quarterly reports, any unexpended funds remain,
25 those funds shall be returned by the grantee to the state treasury.
26 The state budget director may, on a case-by-case basis, extend this
27 deadline, upon request by a grant recipient.

28 (5) If a grantee does not provide information sufficient to
29 execute a grant agreement by May 1, 2024, funds associated with

1 that grant shall be returned to the state treasury.

2 (6) The department shall provide quarterly updates on the
3 accounting and status of each project to the senate and house
4 appropriations committees and the report recipients required in
5 section 205 of this part.

6 Sec. 1097. (1) From the funds appropriated in part 1 for child
7 savings accounts, funds shall be expended in partnership with
8 philanthropic and nonprofit organizations to support child savings
9 accounts. Funds shall be expended for any of the following:

10 (a) Grants to organizations that can demonstrate the ability
11 to effectively deploy funds to build child savings account programs
12 to improve financial literacy, boost educational attainment for
13 low-income children, and support wealth building in low-income
14 families.

15 (b) Support for new pilot programs where funds may be used to
16 seed accounts or as matching grants for family contributions or to
17 match philanthropic or community donations to child savings
18 accounts.

19 (c) Outreach, education, and marketing efforts to attract
20 stakeholders who could launch child savings account program, or
21 savers to participate in child savings account programs.

22 (2) From the appropriation in part 1, the department may hire
23 limited-term employees and may expend up to 2.5% for administrative
24 implementation and oversight of the program.

25 Sec. 1098. From the funds appropriated in part 1 for digital
26 workforce development, funds shall be used to provide a single
27 digital platform for career exploration and skill development that
28 will connect prospective employees with interested employers. This
29 digital platform shall be made available to Michigan's intermediate

1 school districts, the Michigan employer community, and the broader
2 public. This digital platform may include, but is not limited to,
3 the following:

4 (a) A library of virtual reality content curated to meet
5 education, career and life skill development, and science,
6 technology, engineering, arts, and mathematics teaching objectives.

7 (b) Career exploration tools that allow students to analyze
8 their skills and interests, discover related occupations, access
9 information about those occupations, and explore career options
10 through virtual career fairs.

11 (c) A tool to connect employers with students who are
12 participating in career and technical education high school
13 training programs, trade schools, community colleges, certificate
14 programs and credential boot camps.

15 Sec. 1099. (1) From the funds appropriated in part 1 for
16 student wraparound services and basic needs supports, funds shall
17 be used by the department to support public colleges and
18 universities and tribal colleges as they address students' basic
19 needs and barriers to graduation and completion. The department
20 shall work with public colleges and universities and tribal
21 colleges to develop and implement strategies that will address
22 basic needs of students with the goal of improving graduation and
23 completion rates. The department may award grants to public
24 colleges and universities and tribal colleges for strategies that
25 include, but are not limited to:

26 (a) Conducting benefit screenings to ensure eligible students
27 are accessing public benefits they qualify for.

28 (b) Supporting emergency housing solutions, child care, on-
29 campus food pantries, and other efforts to address housing and food

1 insecurity or other basic needs.

2 (c) Providing emergency grants to students to address barriers
3 to completion.

4 (d) Providing additional funding for mental health supports.

5 (e) Providing grants to resolve students' institutional
6 barriers preventing re-enrollment.

7 (2) From the appropriation in part 1, the department may hire
8 limited-term employees and may expend up to 7% for administrative
9 implementation and oversight of the program.

10 (3) The unexpended funds appropriated in part 1 for student
11 wraparound services and basic needs supports are designated as a
12 work project appropriation, and any unencumbered or unallotted
13 funds shall not lapse at the end of the fiscal year and shall be
14 available for expenditures for projects under this section until t
15 he projects have been completed. The following is in
16 compliance with section 451a of the management and budget act, 1984
17 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to support institutions of
19 higher education as they address students' basic needs and barriers
20 to completion.

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

23 (c) The total estimated cost of the project is \$30,000,000.00.

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

25 Sec. 1101. (1) From the funds appropriated in part 1 for ARP -
26 city convention center renovation, the department shall allocate
27 \$5,000,000.00 to an entertainment and public facilities authority
28 for a city convention center located in a city with a population
29 between 111,000 and 114,000 according to the most recent federal

1 decennial census for renovations, improvements, and enhanced
2 technology.

3 Sec. 1102. (1) From the funds appropriated in part 1 for ARP -
4 convention and visitors bureau relief, \$20,000,000.00 shall be
5 allocated to a statewide nonprofit organization representing
6 Michigan's convention and visitors bureaus to provide grants to all
7 convention and visitors bureaus for the purposes of mitigating
8 losses due to the COVID-19 pandemic and promoting hospitality,
9 tourism, and travel.

10 (2) Funds must be expended in compliance with federal
11 regulations established by the American rescue plan act of 2021,
12 public law 117-2, including all regulations and requirements around
13 the use of the state fiscal recovery fund.

14 (3) The statewide nonprofit organization representing
15 Michigan's convention and visitors bureaus must develop a method of
16 allocating 100% of the available funds to each convention and
17 visitors bureau based on each convention and visitors bureau's size
18 relative to the size of all convention and visitors bureaus.

19 (4) Program guidelines and rules for administering the program
20 and awarding grants must be developed by the statewide nonprofit
21 organization representing Michigan's convention and visitors
22 bureaus and be made available on a publicly accessible internet
23 site.

24 (5) Not more than 1% of the funds appropriated in part 1 for
25 ARP - convention and visitors bureau relief may be used by the
26 statewide nonprofit organization representing Michigan's convention
27 and visitors bureaus for administrative costs related to this
28 section.

29 (6) The Michigan strategic fund must ensure that the statewide

1 nonprofit organization representing Michigan's convention and
2 visitors bureaus submits a report that includes, but is not limited
3 to, the amount awarded to each convention and visitors bureau, a
4 statement of economic losses realized by the grantee due to the
5 COVID-19 pandemic, and a detailed plan for the use of the funds by
6 the grantee. The report must be submitted to the Michigan strategic
7 fund not later than September 30 of the current fiscal year. After
8 receipt of the report, the Michigan strategic fund shall submit the
9 report to the recipients required in section 205 of this part by
10 September 30 of the current fiscal year.

11 (7) As used in this section, "convention and visitors bureau"
12 means an entity that receives funds under any of the following
13 acts:

14 (a) 1974 PA 263, MCL 141.861 to 141.867, commonly known as the
15 accommodations tax act.

16 (b) Convention and tourism marketing act, 1980 PA 383, MCL
17 141.881 to 141.889.

18 (c) Community convention or tourism marketing act, 1980 PA
19 395, MCL 141.871 to 141.880.

20 (d) State convention facility development act, 1985 PA 106,
21 MCL 207.621 to 207.640.

22 (e) Regional tourism marketing act, 1989 PA 244, MCL 141.891
23 to 141.900.

24 (f) Regional convention and tourism promotion act, 2010 PA
25 254, MCL 141.1431 to 141.1437.

26 (g) Convention and tourism promotion act, 2007 PA 25, MCL
27 141.1321 to 141.1328.

28 Sec. 1103. (1) From the funds appropriated in part 1 for ARP -
29 electric vehicle charging infrastructure, the department shall use

1 the funds to expand access to public, at-home, and commercial
2 electric vehicle charging infrastructure. Funds may be used for,
3 but are not limited to, the deployment of fast chargers, addressing
4 medium and heavy-duty electric vehicle charging needs, and
5 increasing access to at-home charging infrastructure.

6 (2) The department shall make all efforts to align
7 programmatic activities with federal funding opportunities,
8 including, but not limited to, the infrastructure investment and
9 jobs act, Public Law 117-58, or the inflation reduction act of
10 2022, Public Law 117-169, to maximize the state's opportunities for
11 expanding electric vehicle charging infrastructure statewide.

12 (3) The department shall develop program guidelines and
13 eligibility criteria for the program and shall post that
14 information on its publicly accessible website prior to the due
15 date of the application. Program guidelines must be in compliance
16 with federal regulations established by the American rescue plan
17 act of 2021, Public Law 117-2, including all regulations and
18 requirements around the use of the state fiscal recovery fund.

19 (4) The unexpended funds appropriated in part 1 for ARP -
20 electric vehicle charging infrastructure are designated as a work
21 project appropriation, and any unencumbered or unallocated funds
22 shall not lapse at the end of the fiscal year and shall be
23 available for expenditures for projects under this section until
24 the projects have been completed. The following is in compliance
25 with section 451a of the management and budget act, 1984 PA 431,
26 MCL 18.1451a:

27 (a) The purpose of the work project is to expand access to
28 public, at-home, and commercial electric vehicle charging
29 infrastructure.

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

3 (c) The total estimated cost of the work project is
4 \$55,000,000.00.

5 (d) The tentative completion date is September 30, 2027.

6 Sec. 1104. (1) From the funds appropriated in part 1 for ARP -
7 going pro, the department shall use the funds consistent with
8 sections 7 and 9 of the going pro talent fund act, 2018 PA 260, MCL
9 408.157 and 408.159. The department shall administer the program as
10 follows:

11 (a) The department shall work cooperatively with grantees to
12 maximize the amount of funds from part 1 that are available for
13 direct training.

14 (b) The department, workforce development partners, including
15 regional Michigan Works! agencies, and employers shall collaborate
16 and work cooperatively to prioritize and streamline the expenditure
17 of the funds appropriated in part 1. The department shall ensure
18 that going pro provides a collaborative statewide network of
19 workforce and employee skill development partners that addresses
20 the employee talent needs throughout this state.

21 (c) The department shall ensure that grants are utilized for
22 individual skill enhancement and to address in-demand talent needs
23 in Michigan.

24 (d) The department shall develop program goals and detailed
25 guidance for prospective participants to follow to qualify under
26 the program. Program guidelines and eligibility must be in
27 compliance with federal regulations established by the American
28 rescue plan act of 2021, Public Law 117-2, including all
29 regulations and requirements around the use of the state fiscal

1 recovery fund. The program goals and detailed guidance shall be
2 posted on the department website and distributed to workforce
3 development partners, including local Michigan Works! agencies,
4 prior to the due date of the application. Periodic assessments of
5 employer and employee needs shall be evaluated on a regional basis,
6 and the department shall identify solutions and goals to be
7 implemented to satisfy those needs.

8 (2) The unexpended funds appropriated in part 1 for ARP -
9 going pro are designated as a work project appropriation, and any
10 unencumbered or unallocated funds shall not lapse at the end of the
11 fiscal year and shall be available for expenditures for projects
12 under this section until the projects have been completed. The
13 following is in compliance with section 451a of the management and
14 budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to support the going
16 pro program.

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

19 (c) The total estimated cost of the work project is
20 \$25,000,000.00.

21 (d) The tentative completion date is September 30, 2027.

22 Sec. 1105. (1) From the funds appropriated in part 1 for ARP -
23 Michigan skills fund, the department shall allocate funds
24 proportionally to the Michigan Works! agencies across the state for
25 scholarships for training programs that result in in-demand
26 certifications and credentials. Training programs for
27 certifications and credentials related to the Michigan hot jobs
28 statewide and regional list as provided by the department of
29 technology, management, and budget shall qualify as an acceptable

1 use of these funds.

2 (2) Training programs for the following certifications and
3 credentials also qualify:

- 4 (a) Automotive technician.
- 5 (b) Certified nurse's aide.
- 6 (c) Commercial driver license.
- 7 (d) Computer support technician.
- 8 (e) Dental assistant.
- 9 (f) Machine tool and computer numerical control.
- 10 (g) Manufacturing production.
- 11 (h) Pharmacy technician.
- 12 (i) Phlebotomy technician.
- 13 (j) Certifications from the national center for construction
14 education.
- 15 (k) Welding and fabrication technician.

16 (3) Eligible Michigan Works! agencies that receive funds shall
17 provide a report to the department on the following:

- 18 (a) A list of training scholarships provided.
- 19 (b) The names, addresses, and contact persons for each
20 training provider.
- 21 (c) The results of each scholarship, including whether
22 individuals completed the program or programs, what credentials
23 individuals received, and whether individuals gained employment or
24 were promoted as a result of the program and the wage or salary of
25 the resulting employment.

26 (4) Michigan Works! agencies may expend up to 10% of the funds
27 for the administration of programs.

28 Sec. 1106. (1) From the funds appropriated in part 1 for ARP -
29 workforce training - hospitality training program, \$10,000,000.00

1 shall be allocated to a proprietary school with the mission to
2 provide individuals with the quality training to advance their
3 skill sets, grow operational knowledge, and expand attributes
4 necessary for advanced careers in the hospitality industry that is
5 located in a city with a population between 111,000 and 114,000
6 according to the most recent federal decennial census. Funds shall
7 be expended for workforce training programs in the hospitality
8 industry to help alleviate the effects of the COVID pandemic on the
9 industry and the reduced amount of training available during the
10 pandemic.

11 (2) Funds must be expended in compliance with federal
12 regulations established by the American rescue plan act of 2021,
13 Public Law 117-2, including all regulations and requirements around
14 the use of the state fiscal recovery fund.

15 Sec. 1107. From the funds appropriated in part 1 for
16 affordable housing project, the department shall allocate
17 \$4,000,000.00 to a nonprofit organization organized under the laws
18 of this state that is exempt from federal income tax under section
19 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that
20 has a headquarters in a city with a population between 80,000 and
21 136,000 according to the most recent federal decennial census and
22 is located in a county with a population between 800,000 and
23 1,300,000 according to the most recent federal decennial census for
24 capital costs resulting from construction of an affordable housing
25 apartment complex. To be eligible for funds under this section, the
26 nonprofit organization must have been established in 2006 and be
27 dedicated to improving the stability, health, and wellness of those
28 served through advocacy, acculturation, community development, and
29 cultural preservation.

1 Sec. 1108. From the funds appropriated in part 1 for advanced
2 manufacturing and skilled trades center, the department shall
3 allocate \$2,500,000.00 to a public community college based in a
4 county with a population between 30,000 and 35,000 according to the
5 most recent federal decennial census for the construction and
6 development of an advanced manufacturing and skilled trades center.

7 Sec. 1109. From the funds appropriated in part 1 for
8 construction workers' compensation safety grant, the department
9 shall allocate \$250,000.00 to a nonprofit workers' compensation
10 group self-insurance fund headquartered in a county with a
11 population between 284,000 and 285,000 according to the most recent
12 federal decennial census to support safety education and safety
13 training efforts within the construction industry in this state.

14 Sec. 1110. (1) From the funds appropriated in part 1 for
15 critical skills pilot program, the university established in the
16 Upper Peninsula to provide means of acquiring a thorough knowledge
17 of the application of science to industry pursuant to section 1 of
18 1885 PA 70, MCL 390.351, shall administer a pilot program to
19 support the implementation of a critical skills program. Funds may
20 be expended for, but are not limited to, any of the following,
21 provided those expenditures are directly related to the program:

22 (a) Developing a program to meet industry needs.

23 (b) Grants, cost sharing, or other incentives for the
24 implementation of best practices.

25 (c) Technical support.

26 (d) Administration of the program, such as hiring instructors,
27 recruiters, or student or career support staff.

28 (e) Education outreach and training.

29 (2) By April 1, 2024, the university shall prepare a report to

1 be posted on the university's website and provided to the relevant
2 house and senate standing committees and to the report recipients
3 required in section 205 of this part. The report must contain all
4 of the following information:

5 (a) The number of students enrolled in the critical skills
6 pilot program.

7 (b) A summary of practices implemented.

8 (c) Starting and ending balances of the program.

9 (d) The amount of university matching funds.

10 (e) A summary of outreach and training efforts.

11 (3) The university shall implement the new critical skills
12 pilot program with the goal of increasing the number of critical
13 skills degrees awarded by the university by 150 per year.

14 (4) It is the intent of the legislature that the pilot program
15 be funded for a total of 4 consecutive fiscal years for a total
16 program cost of \$2,500,000.00.

17 Sec. 1111. From the funds appropriated in part 1 for economic
18 development infrastructure project, \$10,000,000.00 shall be
19 allocated for infrastructure development at an 800-acre site
20 located on Five Mile Road in a county with a population of greater
21 than 1,750,000 according to the most recent federal decennial
22 census.

23 Sec. 1112. From the funds appropriated in part 1 for housing
24 readiness incentive grant program, \$5,000,000.00 shall be
25 appropriated to provide grants to cities, villages, and townships
26 to cover the costs associated with adopting land use policies,
27 master plan updates, zoning text amendments, and similar actions to
28 encourage increasing housing supply and affordability. A local unit
29 of government that submits an eligible plan to the department may

1 receive a grant of not more than \$50,000.00. The department may
2 work in collaboration with the MEDC to review grant applications.
3 Applicants shall be reviewed and approved, and grants shall be
4 awarded to qualified applicants, in the order in which applications
5 are received. Local units of government must provide a summary of
6 changes to the department upon completion of the process.

7 Sec. 1113. From the funds appropriated in part 1 for housing
8 readiness program, the department shall allocate \$300,000.00 to a
9 nonprofit organization formed in 2018 whose mission statement is to
10 build awareness, influence policy, and expand capacity so
11 communities can create housing solutions that meet their unique
12 needs and that has a headquarters located in a city with a
13 population between 15,600 and 15,680 according to the most recent
14 federal decennial census for a regional housing fund to supplement
15 existing programs to help provide affordable housing.

16 Sec. 1114. From the funds appropriated in part 1 for community
17 and fitness center project, the department shall allocate
18 \$5,000,000.00 to a community and fitness center located in a city
19 with a population between 11,000 and 11,050 according to the most
20 recent federal decennial census for updating and expanding the
21 facility.

22 Sec. 1115. (1) From the funds appropriated in part 1 for fire
23 gear equipment grants, the department shall distribute funding to
24 local units of government that have the following:

25 (a) A fully paid fire department of an airport operated by a
26 county, public airport authority, or state university or college.

27 (b) A member of a fully paid fire or police department of a
28 city, township, or village employed and compensated on a full-time
29 basis.

1 (c) A member of a fully paid public fire authority employed
2 and compensated on a full-time basis.

3 (2) The unexpended funds appropriated in part 1 for fire gear
4 equipment grants are designated as a work project appropriation.
5 Unencumbered or unallotted funds shall not lapse at the end of the
6 fiscal year and shall be available for expenditures under this
7 section until the project has been completed. The following is in
8 compliance with section 451a of the management and budget act, 1984
9 PA 431, MCL 18.1451a:

10 (a) The purpose of the project is to assist full-time fire
11 departments with purchasing a second set of turnout gear for
12 firefighters. A grant that is provided shall not exceed \$3,500.00
13 per full-time member of the department.

14 (b) The project will be accomplished by utilizing state
15 employees, contracts with vendors, or local partners.

16 (c) The estimated cost of the project is \$15,000,000.00.

17 (d) The tentative completion date is September 30, 2027.

18 Sec. 1116. The unexpended funds appropriated in part 1 for
19 global epicenter of mobility Detroit region are designated as a
20 work project appropriation, and any unencumbered or unallotted
21 funds shall not lapse at the end of the fiscal year and shall be
22 available for expenditures for projects under this section until
23 the projects have been completed. The following is in compliance
24 with section 451a of the management and budget act, 1984 PA 431,
25 MCL 18.1451a:

26 (a) The purpose of the work project is to support proving,
27 testing, and demonstration efforts in the advanced-mobility
28 industry.

29 (b) The projects will be accomplished by utilizing state

1 employees or contracts with service providers, or both.

2 (c) The total estimated cost of the work project is
3 \$5,000,000.00.

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

5 Sec. 1117. From the funds appropriated in part 1 for historic
6 building preservation project, the department shall allocate
7 \$1,000,000.00 to a 501(c) (3) nonprofit organization located in a
8 city with a population between 36,000 and 39,000 according to the
9 most recent federal decennial census for the renovation and
10 preservation of a historic building built in 1889 that was recently
11 owned by the local public school system.

12 Sec. 1118. From the funds appropriated in part 1 for historic
13 building rehabilitation housing project, \$100.00 shall be allocated
14 to a nonprofit 501(c) (3) community housing development organization
15 to rehabilitate and repurpose a prior school building listed on the
16 National Register of Historic Places that is located in a city with
17 a population between 111,000 and 114,000 in a county with a
18 population between 275,000 and 300,000 according to the most recent
19 federal decennial census.

20 Sec. 1119. From the funds appropriated in part 1 for
21 international auto event, \$8,000,000.00 shall be allocated to a
22 501(c) (6) nonprofit entity that meets all of the following
23 criteria:

24 (a) Operates an auto show in a county with a population of
25 more than 1,700,000 and in a city with a population of more than
26 500,000 according to the most recent federal decennial census.

27 (b) The auto show lasts a duration of at least 10 days.

28 (c) Has a charity component benefiting at least 3 Michigan
29 charities.

1 (d) Promotes Michigan's auto and mobility industry through
2 educational and economic development opportunities and activities.

3 Sec. 1120. (1) From the funds appropriated in part 1 for
4 minority-owned business economic development fund grants, the
5 department shall establish a competitive grant program for
6 minority-owned businesses.

7 (2) Grants shall be distributed on a competitive basis and no
8 business shall receive over \$750,000.00 in grant funds from the
9 program.

10 (3) The department shall provide a report before September 1
11 of the current fiscal year that provides the following:

12 (a) A listing of the businesses for which individuals received
13 grants, the amount of each grant, and the location of the business
14 for which each grant was awarded.

15 (b) The criteria used by the department for grant
16 distribution.

17 (c) The stated purpose for which the grant funds would be used
18 by the grant recipient.

19 (4) The unexpended funds appropriated in part 1 for minority-
20 owned business economic development fund grants are designated as a
21 work project appropriation, and any unencumbered or unallotted
22 funds shall not lapse at the end of the fiscal year and are
23 available for expenditures for projects under this section until
24 the projects have been completed. The following is in compliance
25 with section 451a of the management and budget act, 1984 PA 431,
26 MCL 18.1451a:

27 (a) The purpose of the project is to provide grants to
28 minority-owned businesses and support the growth of minority
29 business enterprises.

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

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

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

5 Sec. 1121. From the funds appropriated in part 1 for mobile
6 coronary computed tomography, \$5,000,000.00 shall be allocated to a
7 limited liability company specializing in mobile coronary artery
8 computed tomography angiography plus fractional flow reserve -
9 computed tomography scans to increase their operations to serve
10 underserved rural and urban areas, including scans, virtual cardiac
11 consultations, and educational awareness campaigns for some of
12 Michigan's most vulnerable populations, and the construction or
13 renovations of facilities and creation of at least 20 jobs.

14 Sec. 1122. From the funds appropriated in part 1 for regional
15 housing rehabilitation project, the department shall allocate
16 \$100.00 to a development firm founded in 1988 and located in a city
17 with a population between 36,000 and 39,000 according to the most
18 recent federal decennial census for the rehabilitation of an
19 historic manufacturing site.

20 Sec. 1123. From the funds appropriated in part 1 for rural
21 internet infrastructure project, the department shall allocate
22 \$1,547,000.00 to a not-for-profit organization that has a
23 headquarters located in a township with a population between 353
24 and 360 and in a county with a population between 10,000 and 11,000
25 according to the most recent federal decennial census for matching
26 funds to secure federal broadband grant funding.

27 Sec. 1124. (1) From the funds appropriated in part 1 for
28 special events and national convention attraction, funds shall be
29 used by the Michigan strategic fund to promote the state as a

1 destination for special events, including, but not limited to,
2 national conventions, national conferences, major sporting events,
3 or other significant events that would feature Michigan to a
4 national audience.

5 (2) From the funds appropriated in part 1 for special events
6 and national convention attraction, \$2,500,000.00 shall be
7 allocated to the local convention and visitor bureau of a city with
8 a population greater than 600,000 to support the costs of hosting 2
9 national annual conventions in the city in August of the current
10 fiscal year for 2 associations of the National Guard of the United
11 States.

12 (3) The Michigan strategic fund shall develop program
13 guidelines for the use of these funds. These funds may be used to
14 help attract eligible special events and to support the costs
15 associated with hosting eligible events. Eligible events must meet
16 the following requirements:

17 (a) The event must have a regular attendance of more than 500
18 people.

19 (b) The event must not have been hosted in Michigan during the
20 2023 calendar year.

21 (c) Other eligibility criteria as determined by the Michigan
22 strategic fund.

23 (4) The unexpended funds appropriated in part 1 for special
24 events and national convention attraction are designated as a work
25 project appropriation, and any unencumbered or unallotted funds
26 shall not lapse at the end of the fiscal year and shall be
27 available for expenditures for projects under this section until
28 the projects have been completed. The following is in compliance
29 with section 451a of the management and budget act, 1984 PA 431,

1 MCL 18.1451a:

2 (a) The purpose of the work project is to promote this state
3 as a destination for special events and support costs related to
4 hosting eligible events.

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

7 (c) The total estimated cost of the work project is
8 \$12,500,000.00.

9 (d) The tentative completion date is September 30, 2027.

10 Sec. 1125. From the funds appropriated in part 1 for women's
11 mentoring program, \$200,000.00 shall be allocated to a women's
12 mentoring and scholarship program that is headquartered in a county
13 with a population between 1,000,000 and 1,500,000 according to the
14 most recent federal decennial census.

15 Sec. 1126. From the funds appropriated in part 1 for workforce
16 training program for the homeless, the department shall allocate
17 \$750,000.00 to an internationally recognized nonprofit workforce
18 development organization founded in 2012 that provides homeless
19 individuals full-time employment, training, and individually
20 tailored wrap-around services and is located in a city with a
21 population greater than 600,000 according to the most recent
22 federal decennial census for an expansion of its garment workforce
23 training program for the homeless and chronically unhoused
24 population.

25 Sec. 1127. From the funds appropriated in part 1 for youth
26 career development program, the department shall allocate
27 \$750,000.00 to [an entity developing an initiative based on the US](#)
28 [Department of Labor "YouthBuild" model that will serve emancipated](#)
29 [youth and emerging adults \(opportunity youth\) ages 16-24 that have](#)

1 vulnerable circumstances preventing them from engaging in
2 education, professional training, and ultimately living wage
3 employment opportunities, and is located in a township with a
4 population between 1,808 and 1,810 and in a county with a
5 population between 132,000 and 135,000 for a youth career
6 development program.

7 Sec. 1128. From the funds appropriated in part 1 for public
8 safety employee health care benefits grant, the department shall
9 allocate \$15,000,000.00 to a voluntary employee's beneficiary
10 association located in a city with a population greater than
11 600,000 that was formed during the city's bankruptcy. The funds
12 shall be used to provide association members funding for benefits
13 that were reduced because of the city's bankruptcy.

14 Sec. 1129. From the funds appropriated in part 1 for student
15 aviation center, the department shall allocate \$2,500,000.00 to a
16 public community college based in a county with a population
17 between 90,000 and 98,000 according to the most recent federal
18 decennial census for the student aviation center program.

19 Sec. 1130. From the funds appropriated in part 1 for wearable
20 technology innovation center, the department shall allocate
21 \$850,000.00 to a private university that was established in 1932
22 and is located in a city with a population between 76,600 and
23 78,000 according to the most recent federal decennial census to
24 support the development of a wearable technology innovation center
25 and programs.

26 Sec. 1131. From the funds appropriated in part 1 for reentry
27 and support, the department shall allocate \$1,000,000.00 to a
28 nonprofit that operates a program that satisfies all of the
29 following conditions:

1 (a) The program provides services to parolees and probationers
2 assessed by the department of corrections as moderate- or high-risk
3 to recidivate.

4 (b) The program provides job readiness training, transitional
5 employment, job coaching and placement, and postplacement retention
6 services. As part of the transitional employment program phase, the
7 nonprofit program shall provide low-skill, crew-based services to
8 other state agencies.

9 (c) The program has been independently and rigorously
10 evaluated and shown to reduce recidivism.

11 (d) The program demonstrates an ability to serve multiple
12 jurisdictions across the state of Michigan.

13 Sec. 1132. From the funds appropriated in part 1 for skilled
14 trade grant program, \$24,000,000.00 shall be allocated by the
15 department for skilled trade training programs as follows:

16 (a) \$8,000,000.00 shall be allocated to a nonprofit
17 association chartered in 1912 that has training facilities
18 statewide for skilled trades with at least 1 in each of Michigan's
19 major cities that are set up to train apprentices and journeymen
20 alike and has a headquarters located in a city with a population
21 between 111,000 and 114,000 according to the most recent federal
22 decennial census.

23 (b) \$8,000,000.00 shall be allocated to a nonprofit
24 association that is committed to providing extensive training in
25 state-of-the-art techniques, education, and equipment, offers 4-
26 year apprentice programs to help members develop the trade skills
27 they need to succeed, and has a headquarters located in a city with
28 a population between 138,000 and 140,000 according to the most
29 recent federal decennial census.

1 (c) \$8,000,000.00 shall be allocated to a nonprofit
2 organization whose members are a skilled and experienced workforce
3 trained to work safely in the construction and energy industries
4 and that has a headquarters located in a township with a population
5 between 32,000 and 33,150 according to the most recent federal
6 decennial census.

7 Sec. 1133. From the funds appropriated in part 1 for UIA legal
8 assistance program, the department shall allocate \$1,500,000.00 to
9 the Michigan state bar foundation for grants to nonprofit civil
10 legal aid programs to provide legal assistance, including, but not
11 limited to, advice, brief services, and representation for
12 unemployment claimants.

13 Sec. 1134. From the funds appropriated in part 1 for arts and
14 cultural program, the department shall allocate \$4,000,000.00 of
15 additional funding to the Michigan arts and culture council over
16 the amount of funds allocated to the program in the prior fiscal
17 year. The additional funds shall be distributed as follows:

18 (a) \$500,000.00 shall be allocated to a museum of art located
19 in a city with a population between 36,000 and 39,000 according to
20 the most recent federal decennial census.

21 (b) \$500,000.00 shall be allocated to an historic site with a
22 3-story Queen Anne house built in 1887 that is listed in the
23 national register of historic places and located in a city with a
24 population between 36,000 and 39,000 according to the most recent
25 federal decennial census. The funds shall be expended for repairs
26 to the historic house.

27 (c) \$3,000,000.00 shall be allocated to the Michigan arts and
28 culture council for public and private arts and cultural entities.

29 Sec. 1135. The funds appropriated in part 1 for Michigan

1 defense center program shall be used by the Michigan strategic fund
2 to protect and grow the defense and homeland security industry in
3 Michigan by protecting this state's current department of defense
4 missions, infrastructure, and industry, including securing new
5 missions and increasing defense and homeland security spending in
6 this state. These funds may be used for, but are not limited to,
7 the following activities:

8 (a) Helping Michigan businesses identify federal defense
9 contract opportunities.

10 (b) Providing technical assistance for bid responses to
11 federal defense contracts.

12 (c) Strengthening cybersecurity compliance at Michigan
13 businesses to qualify for federal defense contracts.

14 Sec. 1136. From the funds appropriated in part 1 for housing
15 and business preservation project, the department shall allocate
16 the funding to a nonprofit organization established in 1994 with a
17 mission statement to cultivate a vibrant and healthy community
18 where people live, work, and play and that has the core values of
19 economic equity and racial justice and that is located in a city
20 with a population over 600,000 according to the most recent federal
21 decennial census for the rehabilitation and development of housing,
22 business, and community development facilities.

23 Sec. 1137. From the funds appropriated in part 1 for junior
24 achievement, the department shall allocate \$1,500,000.00 to a
25 nonprofit organization that provides young people with practical
26 economic education programs and experiences in the competitive
27 private enterprise system through business and education
28 communities located in a city with a population over 600,000 and in
29 a city with a population between 198,000 and 200,000 for program

1 resources and staffing.

2 Sec. 1138. (1) From the funds appropriated in part 1 for
3 Michigan housing and community development program, the Michigan
4 state housing development authority shall allocate \$100,000,000.00
5 general fund/general purpose dollars to create a program to assist
6 in the implementation of Michigan's statewide housing plan by
7 reducing housing cost burdens on Michigan residents and increasing
8 the supply and preserving the existing supply of affordable
9 housing. The program shall adhere to the requirements of this
10 section.

11 (2) As used in this section:

12 (a) "Owner" means a limited dividend housing corporation as
13 that term is defined in section 11 of the state housing development
14 authority act of 1966, 1966 PA 346, MCL 125.1411, that owns the
15 property funded with the affordable housing tax credit gap
16 financing funds and controlled by the sponsor.

17 (b) "LIHTC" means low-income housing tax credit, as defined by
18 the United States Department of Housing and Urban Development.

19 (c) "Authority" means the Michigan state housing development
20 authority created in section 21 of the state housing development
21 authority act of 1966, 1966 PA 346, MCL 125.1421.

22 (3) From the funds appropriated in part 1 for Michigan housing
23 and community development program, the authority may expend up to
24 5% of the funds for administration costs for the program.

25 (4) The funds appropriated in part 1 for Michigan housing and
26 community development program shall be allocated to help defray the
27 costs of projects, sponsored by for-profit and nonprofit
28 developers, that emphasize the creation of affordable housing
29 supply in this state, as determined by the authority. Of the funds

1 available for the program, grants or loans shall be allocated to
2 developments that qualify for tax credits under section 42 of the
3 internal revenue code of 1986, 26 USC 42, as follows:

4 (a) Of the funds available for the program, 40% shall be
5 allocated as a grant or forgivable loan to an eligible recipient
6 for the development and construction of new affordable housing
7 units through the authority's pass-through bond program. For the
8 purposes of this subsection, "new affordable housing units" means
9 housing units that meet both of the following requirements:

10 (i) Use of the property as multifamily housing commences after
11 the owner's acquisition and development of the property.

12 (ii) The property has not been used as multifamily housing at
13 any point during the 10-year period immediately prior to the
14 owner's acquisition of the property.

15 (b) Of the funds available for the program, 20% shall be
16 allocated as a grant or forgivable loan for the development or
17 construction of affordable housing for projects awarded 9% tax
18 credits under section 42 of the internal revenue code of 1986, 26
19 USC 42, and owners that have not received an unconditional form
20 8609 from the authority as of the effective date of this act.
21 Priority of awards under this subsection shall be as follows:

22 (i) First, to owners that received an initial LIHTC
23 reservation on or before December 31, 2020.

24 (ii) Next, after the priority in subparagraph (i), to owners
25 that received an initial LIHTC reservation on or before December
26 31, 2021.

27 (iii) Next, after the priorities in subparagraphs (i) and
28 (ii), to owners that received an initial LIHTC reservation on or
29 before December 31, 2022.

1 (iv) Last, after the priorities in subparagraphs (i), (ii),
2 and (iii), to owners that received an initial LIHTC reservation
3 after December 31, 2022.

4 (c) Of the funds available for the program, 25% shall be
5 allocated as a grant, loan, or forgivable loan for the development
6 or construction of affordable housing for properties that meet 1 or
7 more of the following:

8 (i) Have already received loans through the authority's direct
9 lending program.

10 (ii) Are existing properties for projects that meet all of the
11 following:

12 (A) Are properties that previously obtained tax credits under
13 section 42 of the internal revenue code of 1986, 26 USC 42.

14 (B) Are properties subject to an existing use restriction from
15 previously obtained tax credits.

16 (C) Are properties that receive an allocation of volume cap
17 through the authority's direct lending program.

18 (d) Of the funds available for the program, 15% shall be
19 allocated as a grant or forgivable loan for the development or
20 construction of affordable housing for properties that meet all of
21 the following:

22 (i) Are properties that previously obtained tax credits under
23 section 42 of the internal revenue code of 1986, 26 USC 42.

24 (ii) Are properties subject to an existing use restriction
25 from previously obtained tax credits.

26 (iii) Are properties that receive an allocation of volume cap
27 through the authority's pass-through bond program.

28 (e) Notwithstanding existing rules or requirements under the
29 authority's pass-through bond program or direct lending program,

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1 identified in subdivisions (a) through (d) for rural communities as
2 designated by the United States Department of Agriculture and Rural
3 Development.

4 (f) Any request for funds allocated under subdivisions (a)
5 through (d) shall include a letter of support from the municipality
6 in which the property or project is located.

7 (5) To the extent that any funds awarded by the authority
8 under this program include federal funds received by this state
9 under the federal American rescue plan act of 2021, Public Law 117-
10 2, to ensure that all such funds are obligated on or before
11 December 31, 2024, the following provisions shall apply:

12 (a) Until April 1, 2024, American rescue plan act funds shall
13 be obligated and deployed before any other funds.

14 (b) After April 1, 2024, the set-aside identified in
15 subsection (4) (e) no longer applies, and federal American rescue
16 plan act funds shall be allocated on a first-come, first-serve
17 basis until such funds are fully obligated to 1 or both of the
18 following:

19 (i) Any alternative method to achieve the program goals, if
20 funds are administered in the form of a grant or forgivable loan.

21 (ii) Any project that meets the requirements identified in
22 subsection (4) (a) to (d).

23 (6) The unexpended funds appropriated in part 1 for Michigan
24 housing and community development program are designated as a work
25 project appropriation, and any unencumbered or unallotted funds
26 shall not lapse at the end of the fiscal year and shall be
27 available for expenditure for projects under this section until the
28 projects have been completed. The following is in compliance with
29 section 451a of the management and budget act, 1984 PA 431, MCL

1 18.1451a:

2 (a) The purpose of the project is to implement Michigan's
3 statewide housing plan by reducing housing costs for Michigan
4 residents and increasing the supply of, and preserving existing,
5 affordable housing.

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

8 (c) The total estimated cost of the project is
9 \$100,000,000.00.

10 (d) The tentative completion date is September 30, 2027.

11