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Act No. 144

Public Acts of 2020

Approved by the Governor

July 31, 2020

Filed with the Secretary of State

July 31, 2020

EFFECTIVE DATE: July 31, 2020

STATE OF MICHIGAN

100TH LEGISLATURE

REGULAR SESSION OF 2020

Introduced by Rep. Hernandez

ENROLLED HOUSE BILL NO. 5265

AN ACT to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2020; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2020, from the following funds:

APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 1,008,691,100**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	**1,008,691,100**
Federal revenues:	
Total federal revenues	1,535,668,800
Special revenue funds:	
Total local revenues	13,134,300
Total private revenues	32,600,000
Total other state restricted revenues	(34,038,800)
State general fund/general purpose	**$ (538,673,200)**

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 0**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**0**
Federal revenues:	
Total federal revenues	$0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	459,600
State general fund/general purpose	**$ (459,600)**
(2) ATTORNEY GENERAL OPERATIONS	
Department of attorney general	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Attorney general's operations fund	459,600
State general fund/general purpose	**$ (459,600)**

Sec. 103. DEPARTMENT OF CORRECTIONS

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 0**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**0**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	2,000,000
State general fund/general purpose	**$ (2,000,000)**
(2) FIELD OPERATIONS ADMINISTRATION	
Field operations	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Parole and probation oversight fees set-aside	2,000,000
State general fund/general purpose	**$ (2,000,000)**

Sec. 104. DEPARTMENT OF EDUCATION

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ (3,000,000)**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**(3,000,000)**
Federal revenues:	
Total federal revenues	(3,000,000)
Special revenue funds:	
Total local revenues	0

Total private revenues	0
Total other state restricted revenues	1,865,500
State general fund/general purpose	**$ (1,865,500)**
(2) INFORMATION TECHNOLOGY	
Information technology services and projects	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Certification fees	32,800
State general fund/general purpose	**$ (32,800)**
(3) EDUCATOR EXCELLENCE	
Educator excellence operations	$0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Certification fees	1,832,700
State general fund/general purpose	**$ (1,832,700)**
(4) MICHIGAN OFFICE OF GREAT START	
Child development and care public assistance	(3,000,000)
GROSS APPROPRIATION	**$ (3,000,000)**
Appropriated from:	
Federal revenues:	
Federal revenues	(3,000,000)
State general fund/general purpose	**$ 0**

Sec. 105. DEPARTMENT OF HEALTH AND HUMAN SERVICES

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 1,008,937,900**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	**1,008,937,900**
Federal revenues:	
Capped federal revenues	(149,200)
Social security act, temporary assistance for needy families	(1,317,100)
Total other federal revenues	1,340,135,000
Special revenue funds:	
Total local revenues	12,566,700
Total private revenues	32,600,000
Michigan merit award trust fund	11,500,000
Total other state restricted revenues	40,251,900
State general fund/general purpose	**$ (426,649,400)**
(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
Adoption subsidies	2,832,400
Child care fund	9,388,700
Child welfare field staff - caseload compliance	0
Child welfare first line supervisors	0
Foster care payments	21,677,500
Guardianship assistance program	(209,500)
GROSS APPROPRIATION	**$ 33,689,100**
Appropriated from:	
Federal revenues:	

Social security act, temporary assistance for needy families	(6,317,100)
Capped federal revenues	(149,200)
Total other federal revenues	6,987,800
Special revenue funds:	
Local funds - county chargeback	2,501,100
State general fund/general purpose	**$ 30,666,500**
(3) PUBLIC ASSISTANCE	
Family independence program	28,660,300
Food assistance program benefits	600,000,000
State disability assistance payments	4,584,500
State supplementation	347,000
GROSS APPROPRIATION	**$ 633,591,800**
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	$5,000,000
Total other federal revenues	600,000,000
Special revenue funds:	
Child support collections	(946,000)
Supplemental security income recoveries	(1,185,300)
State general fund/general purpose	**$ 30,723,100**
(4) BEHAVIORAL HEALTH SERVICES	
Autism services	21,846,100
Healthy Michigan plan - behavioral health	42,010,200
Medicaid mental health services	4,942,600
Medicaid substance use disorder services	13,707,600
GROSS APPROPRIATION	**$ 82,506,500**
Appropriated from:	
Federal revenues:	
Total other federal revenues	190,516,700
Special revenue funds:	
Total other state restricted revenues	(2,028,100)
State general fund/general purpose	**$ (105,982,100)**
(5) STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES	
Caro Regional Mental Health Center - psychiatric hospital - adult - or regional mental health center located within 6 miles of the county seat of a county with a population between 55,000 and 57,000 in the 2010 decennial census	0
Center for forensic psychiatry	0
Hawthorn Center - psychiatric hospital - children and adolescents	0
Kalamazoo Psychiatric Hospital - adult	0
Walter P. Reuther Psychiatric Hospital - adult	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Total other state restricted revenues	13,100,000
State general fund/general purpose	**$ (13,100,000)**
(6) LABORATORY SERVICES	
Laboratory services	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Total other state restricted revenues	1,000,000

State general fund/general purpose	**$ (1,000,000)**
(7) LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
AIDS prevention, testing, and care programs	32,750,000
Violence prevention	7,000,000
GROSS APPROPRIATION	**$ 39,750,000**
Appropriated from:	
Federal revenues:	
Total other federal revenues	9,750,000
Special revenue funds:	
Total private revenues	30,000,000
State general fund/general purpose	**$ 0**
(8) FAMILY HEALTH SERVICES	
Family, maternal, and child health administration	8,442,700
GROSS APPROPRIATION	**$ 8,442,700**
Appropriated from:	
Special revenue funds:	
Total local revenues	$8,442,700
State general fund/general purpose	**$ 0**
(9) CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	18,453,500
GROSS APPROPRIATION	**$ 18,453,500**
Appropriated from:	
Federal revenues:	
Total other federal revenues	18,973,600
State general fund/general purpose	**$ (520,100)**
(10) MEDICAL SERVICES	
Adult home help services	(27,122,600)
Ambulance services	(397,600)
Auxiliary medical services	(148,600)
Dental services	(16,650,800)
Federal Medicare pharmaceutical program	(39,494,900)
Health plan services	19,782,900
Healthy Michigan plan	(10,932,300)
Home health services	(1,268,600)
Hospice services	2,688,900
Hospital services and therapy	24,073,900
Integrated care organizations	4,558,000
Long-term care services	7,538,800
Maternal and child health	(103,100)
Medicaid home- and community-based services waiver	(23,283,000)
Medicare premium payments	7,842,100
Personal care services	524,600
Pharmaceutical services	42,111,600
Physician services	59,151,800
Program of all-inclusive care for the elderly	19,289,000
School-based services	23,393,500
Special Medicaid reimbursement	128,423,900
Transportation	(2,473,200)
GROSS APPROPRIATION	**$ 217,504,300**
Appropriated from:	
Federal revenues:	
Total other federal revenues	513,906,900
Special revenue funds:	

Total local revenues	1,622,900
Total private revenues	2,600,000
Michigan merit award trust fund	11,500,000
Total other state restricted revenues	30,311,300
State general fund/general purpose	**$ (342,436,800)**
(11) ONE-TIME APPROPRIATIONS	
Coronavirus public health emergency - health care capacity	(25,000,000)
GROSS APPROPRIATION	**$ (25,000,000)**
Appropriated from:	
State general fund/general purpose	**$ (25,000,000)**

Sec. 106. JUDICIARY

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ (3,120,000)**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$0
ADJUSTED GROSS APPROPRIATION	**$ (3,120,000)**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	(570,000)
State general fund/general purpose	**$ (2,550,000)**
(2) SUPREME COURT	
Foster care review board	(38,500)
Judicial information systems	(419,100)
Judicial institute	(30,200)
Next generation Michigan court system	(1,438,800)
State court administrative office	(246,200)
Supreme court administration	(159,200)
GROSS APPROPRIATION	**$ (2,332,000)**
Appropriated from:	
State general fund/general purpose	**$ (2,332,000)**
(3) COURT OF APPEALS	
Court of appeals operations	$(183,400)
GROSS APPROPRIATION	**$ (183,400)**
Appropriated from:	
State general fund/general purpose	**$ (183,400)**
(4) JUDICIAL AGENCIES	
Judicial tenure commission	$(14,600)
GROSS APPROPRIATION	**$ (14,600)**
Appropriated from:	
State general fund/general purpose	**$ (14,600)**
(5) INDIGENT DEFENSE - CRIMINAL	
Appellate public defender program	$(20,000)
GROSS APPROPRIATION	**$ (20,000)**
Appropriated from:	
State general fund/general purpose	**$ (20,000)**
(6) TRIAL COURT OPERATIONS	

Juror compensation reimbursement	$(570,000)
GROSS APPROPRIATION	**$ (570,000)**
Appropriated from:	
Special revenue funds:	
Juror compensation fund	(570,000)
State general fund/general purpose	**$ 0**

Sec. 107. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ (3,000,000)**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**(3,000,000)**
Federal revenues:	
Total federal revenues	(3,000,000)
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	**$ 0**
(2) TALENT INVESTMENT AGENCY	
Workforce development programs	$(3,000,000)
GROSS APPROPRIATION	**$ (3,000,000)**
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance to needy families	(3,000,000)
State general fund/general purpose	**$ 0**
(3) ONE-TIME APPROPRIATIONS	
Small business restart grants	(100,000,000)
Small business restart grants	100,000,000
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Federal revenues:	
Coronavirus relief fund	0
State general fund/general purpose	**$ 0**

Sec. 108. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 0**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**0**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	1,500,000
State general fund/general purpose	**$ (1,500,000)**
(2) OCCUPATIONAL REGULATION	
Bureau of construction codes	0
Bureau of fire services	0

GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Construction code fund	100,000
Fire service fees	1,400,000
State general fund/general purpose	**$ (1,500,000)**

Sec. 109. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 420,000**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**420,000**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	567,600
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	**$ (147,600)**
(2) MILITARY	
Michigan youth challeNGe academy	0
National guard operations	420,000
GROSS APPROPRIATION	**$ 420,000**
Appropriated from:	
Special revenue funds:	
Local revenues	$567,600
State general fund/general purpose	**$ (147,600)**

Sec. 110. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 0**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**0**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	200,000
State general fund/general purpose	**$ (200,000)**
(2) CUSTOMER DELIVERY SERVICES	
Branch operations	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Transportation administration collection fund	200,000
State general fund/general purpose	**$ (200,000)**

Sec. 111. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	**$ 0**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**0**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	2,693,400
State general fund/general purpose	**$ (2,693,400)**
(2) FIELD SERVICES	
Investigative services	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Narcotics-related forfeiture revenue	2,693,400
State general fund/general purpose	**$ (2,693,400)**

Sec. 112. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ (100,000,000)**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**(100,000,000)**
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	$0
Total private revenues	0
Total other state restricted revenues	2,582,700
State general fund/general purpose	**$ (102,582,700)**
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Administrative services	0
Business support services	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Special revenue, internal service, and pension trust funds	2,408,700
State general fund/general purpose	**$ (2,408,700)**
(3) INFORMATION TECHNOLOGY	
Information technology services and projects	0
GROSS APPROPRIATION	**$ 0**
Appropriated from:	
Special revenue funds:	
Special revenue, internal service, and pension trust funds	174,000
State general fund/general purpose	**$ (174,000)**
(4) ONE-TIME APPROPRIATIONS	
Coronavirus public health emergency	(50,000,000)
Coronavirus response fund	(50,000,000)
GROSS APPROPRIATION	**$ (100,000,000)**
Appropriated from:	

State general fund/general purpose	**$ (100,000,000)**

Sec. 113. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	**$ 108,453,200**
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATIONS	**108,453,200**
Federal revenues:	
Total federal revenues	203,000,100
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	(96,521,900)
State general fund/general purpose	**$ 1,975,000**
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Office of accounting services	(50,000)
Office of financial services	(125,000)
GROSS APPROPRIATION	**$ (175,000)**
Appropriated from:	
Special revenue funds:	
Delinquent tax collection revenue	(175,000)
State general fund/general purpose	**$ 0**
(3) TAX PROGRAMS	
Tax compliance	(900,000)
Tax processing	(950,000)
GROSS APPROPRIATION	**$ (1,850,000)**
Appropriated from:	
Special revenue funds:	
Delinquent tax collection revenue	175,000
State general fund/general purpose	**$ (2,025,000)**
(4) REVENUE SHARING	
City, village, and township revenue sharing	(43,505,400)
County incentive program	(7,220,800)
County revenue sharing	(45,795,700)
GROSS APPROPRIATION	**$ (96,521,900)**
Appropriated from:	
Special revenue funds:	
Sales tax	(96,521,900)
State general fund/general purpose	**$ 0**
(5) ONE-TIME APPROPRIATIONS	
Coronavirus relief local government grants	150,000,000
First responder hazard pay premiums	(100,000,000)
First responder hazard pay premiums	100,000,000
Local units of government	(200,000,000)
Local units of government	200,000,000
Non-teaching school employee COVID-19 grants	100
Presidential primary	4,000,000
Teacher COVID-19 grants	53,000,000
GROSS APPROPRIATION	**$ 207,000,100**
Appropriated from:	
Federal revenues:	

Coronavirus relief fund	203,000,100
State general fund/general purpose	**$ 4,000,000**

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources in this appropriation act for the fiscal year ending September 30, 2020 is $(572,712,000.00) and state spending from state sources to be paid to local units of government is $(179,982,400.00). The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES	
Child care fund	20,249,700
Autism services	(3,850,200)
Healthy Michigan plan - behavioral health	4,006,000
Medicaid mental health services	(109,508,200)
Medicaid substance use disorder services	1,642,200
DEPARTMENT OF TREASURY	
City, village, and township revenue sharing	(43,505,400)
County incentive program	(7,220,800)
County revenue sharing	(45,795,700)
Presidential primary	4,000,000
TOTAL	**(179,982,400)**

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

Sec. 203. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this act, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this act for the particular department, board, commission, office, or institution.

Sec. 204. (1) Funds appropriated in part 1 are subject to applicable federal audit and reporting requirements. Prompt action shall be taken if instances of noncompliance are identified, including noncompliance identified in an audit finding. If any instance of noncompliance is identified, including noncompliance identified in an audit finding, the state budget director shall take necessary and immediate action to rectify it. The state budget director shall notify the senate and house appropriations committees and the senate and house fiscal agencies when an instance of noncompliance is identified.

(2) In a form and manner determined by the recipient department, all eligible sub-recipients receiving funds through this act must comply with all requirements corresponding to the receipt of funds required in the coronavirus aid, relief, and economic security act, Public Law 116-136, and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200, as applicable, including, but not limited to, any certifications, assurances, and accountability and transparency provisions. The department responsible for administering federal funds may require any documentation necessary to ensure compliance with federal requirements.

(3) Any funds received under this act and expended by a sub-recipient in any manner that does not adhere to the coronavirus aid, relief, and economic security act, Public Law 116-136, or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200, as applicable, shall be returned to this state. If it is determined that a sub-recipient receiving funds under this act expends any funds received under this act for a purpose that is not consistent with the requirements of the coronavirus aid, relief, and economic security act, Public Law 116-136, or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200, as applicable, the state budget director is authorized to withhold payment of state funds, in part or in whole, payable from any state appropriation.

Sec. 205. The state budget director shall report on the status of funds appropriated in part 1, and all funds appropriated related to the coronavirus relief effort, to the senate and house appropriations committees and the senate and house fiscal agencies on a monthly basis until all funds are exhausted.

Sec. 206. The appropriations from coronavirus relief funds in part 1 of this bill reduce to zero the coronavirus relief funds appropriations authorized in the same amounts and for the same purposes under section 302 of 2020 PA 67.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 401. (1) The department of health and human services shall implement a 2-way risk corridor in the fiscal year ending September 30, 2020 for existing contracts between the state and Medicaid health plans. This 2-way risk corridor shall be designed in a manner consistent with federal guidance issued by the Centers for Medicare and Medicaid Services. The risk corridor shall be made up of 3 tiers allocating risk in the following manner:

(a) The first tier of the risk corridor shall be structured where 100% of the risk is borne by the contracted Medicaid health plan.

(b) The second tier of the risk corridor shall be structured where risk is shared 50% by the contracted Medicaid health plan and 50% by the state.

(c) The third tier of the risk corridor shall be structured where 100% of the risk is borne by the state.

(2) The department shall institute a prospective withhold of capitation payments to contracted Medicaid health plans to capture a portion of estimated risk corridor savings in the fiscal year ending September 30, 2020. The general fund portion of this withhold shall not exceed $35,000,000.00.

Sec. 402. (1) From the funds appropriated in part 1 for foster care payments, $10,650,000.00 is allocated for the West Michigan Partnership for Children Consortium to support a performance-based payment pilot program in Kent County. The purpose of this funding is to recognize prior-year cash advances to the West Michigan Partnership for Children Consortium and costs related to a restructured payment model.

(2) As a condition for receiving this funding, the West Michigan Partnership for Children Consortium shall enter into a revised contract agreement with the department of health and human services to support the transition to a new global capitated payment model. The capitated payment amount would be based on historical averages of the number of children served in Kent County and for the costs per foster care case. Under the new arrangement, the West Michigan Partnership for Children Consortium is required to manage the cost of the child population it serves. The capitated payment amount would on a periodic basis be reviewed and adjusted as needed to account for changes in case volumes and any statewide rate increases that are implemented. The revised contract agreement shall provide that the West Michigan Partnership for Children Consortium shall also agree to the following contract stipulations and other conditions:

(a) That the service component of the capitated payment will be calculated assuming rates paid to providers under the pilot are generally consistent with department of health and human services payment policies for providers throughout the rest of this state.

(b) To maintain a risk reserve of at least $1,500,000.00 to ensure it can meet unanticipated expenses within a given fiscal year.

(c) That until the risk reserve is established, the West Michigan Partnership for Children Consortium shall submit to the department a plan for how they will manage expenses to fit within their capitated payment revenue. The department of health and human services shall review and approve any new investments in provider payments above statewide rates and norms to ensure they are supported by offsetting savings so that costs remain within available revenue.

(d) To cooperate with the department of health and human services on an independent fiscal analysis of costs incurred and revenues received during the course of the pilot to date.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 501. The state budget director shall take any and all related actions necessary to effectuate a transfer to the general fund in the amount of $1,441,970.00 from component unit accounts within the Michigan strategic fund.

Sec. 502. (1) From the funds appropriated in part 1 for small business restart grants, not more than $100,000,000.00 shall be used by the Michigan strategic fund to create and operate a small business restart grant program to provide small business and nonprofit restart grants to eligible businesses and nonprofits in this state. The fund, in consultation with the 15 local and nonprofit economic development organizations that in the aggregate provide services to all 83 counties and participated in the Michigan small business relief program created at the March 19, 2020 Michigan strategic fund board meeting, shall provide grants to eligible businesses and nonprofits that have realized a significant financial hardship as a result of the COVID-19 emergency. Grant applications shall be accepted, reviewed, and approved by a local or nonprofit economic development organization that previously participated in the Michigan small business relief program created at the March 19, 2020 Michigan strategic fund board meeting, or its designee. A base amount of $3,500,000.00 must be awarded by each of the 15 local and nonprofit economic development organizations, or their designee selected to award grants to eligible businesses and nonprofits. The Michigan strategic fund, in consultation with the local and nonprofit economic development organizations, or their designee, shall determine a fair method for distributing the remaining funds. A local or nonprofit economic development organization, or its designee, may retain up to 5% of the amount it receives for awards for administration, of which the Michigan strategic fund may retain not more than $1,000,000.00 for administration.

(2) Grants made available to eligible businesses and nonprofits under the program must meet all of the following conditions:

(a) Must only be made available to eligible businesses and nonprofits that have 50 or fewer employees.

(b) Must not exceed $20,000.00. An eligible business which previously received a grant under the Michigan small business relief program created at the March 19, 2020 Michigan strategic fund board meeting is eligible for a grant under this section not to exceed the difference between the small business relief program grant received and $20,000.00.

(c) Must only be used for working capital to support payroll expenses, rent, mortgage payments, utility expenses, costs related to reopening a business, or other uses authorized under the coronavirus aid, relief, and economic security act, Public Law 116-136.

(3) Not less than 30% of the funds awarded under the small business restart grant program in subsection (1) shall be provided to women-owned, minority-owned, and veteran-owned eligible businesses.

(4) Any funds not awarded by September 30, 2020 must revert back to the Michigan strategic fund. The Michigan strategic fund must reallocate and redistribute any funds received under this subsection to the 15 local and nonprofit economic development

organizations under subsection (1) in a manner determined by the Michigan strategic fund. Funds redistributed under this subsection must comply with the provisions of the small business restart grant program under this section.

(5) The Michigan strategic fund must develop and post on the Michigan strategic fund website application, program operation, award, and reporting criteria for the program.

(6) The Michigan strategic fund shall submit a monthly report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office that provides a listing of grants awarded in the previous month and the name of the recipient of each grant provided under the program. The Michigan strategic fund shall submit a summary of all grants awarded under the program over the course of the current fiscal year by September 30, 2020.

(7) As used in this section:

(a) "Eligible business" means a business that meets all of the following:

(*i*) Is in an industry that demonstrates it is affected by the COVID-19 emergency.

(*ii*) Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses.

(*iii*) Demonstrates an income loss as a result of the COVID-19 emergency as determined by the Michigan strategic fund.

(b) "Nonprofit" means a nonprofit entity that meets all of the following:

(*i*) Demonstrates it is affected by the COVID-19 emergency.

(*ii*) Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses.

(*iii*) Demonstrates an income loss as a result of the COVID-19 emergency as determined by the Michigan strategic fund.

(c) "Small business restart grant" or "grant" means a small business relief grant made to an eligible business under this section.

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

(a) The purpose of the work project is to provide a grant of up to $20,000.00 per eligible business or nonprofit for expenses related to the COVID-19 emergency.

(b) The projects will be accomplished by utilizing state employees and local and nonprofit economic development organizations to provide payments or reimbursements to eligible businesses and nonprofits.

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

(d) The tentative completion date is December 30, 2020.

LEGISLATURE

Sec. 601. It is the intent of the legislature that $9,418,300.00 in state general fund/general purpose work project authorization funds will lapse from the legislature budget per the fiscal year 2019-2020 budget agreement.

DEPARTMENT OF TRANSPORTATION

Sec. 701. The state budget director is authorized to take any and all related actions necessary to lapse unexpended and unencumbered fund balance in the roads and risks reserve fund created in section 211b of article VIII of 2013 PA 59 as part of the financial transactions for the fiscal year ending September 30, 2020.

DEPARTMENT OF TREASURY

Sec. 801. (1) From the funds appropriated in part 1 for first responder hazard pay premiums, the department of treasury shall provide grants for the payment or reimbursement of first responder hazard pay premiums provided to first responders who have performed hazardous duty or work involving physical hardship related to COVID-19 as described in this section.

(2) Eligible first responder hazard pay premium payments and reimbursements may be provided for hazard pay premiums for law enforcement officers, firefighters, emergency medical technicians (EMTs), paramedics, 9-1-1 operators, local unit of government corrections officers, airport public safety officers, and eligible personnel associated with ambulance operations licensed under section 20920 of the public health code, 1978 PA 368, MCL 333.20920. Private EMTs and paramedics that contract with municipalities or hospitals are eligible if hazard pay premiums are paid through the applicant. First responder hazard pay premium payments and reimbursements may be made as a lump sum payment or as an hourly rate enhancement. The maximum reimbursement amount shall be $1,000.00 per eligible employee. Any payment or reimbursement made under this section, whether paid as a lump sum or hourly wage enhancement, shall be of no effect in determining any employee's average compensation as provided by any contract or other provision of law. Eligible hazard pay premiums must be paid to employees by September 30, 2020 to be eligible for payment or reimbursement under this section.

(3) The department of treasury shall make available on its website all forms and information needed for applicants to apply for payments or reimbursements. Applicants will have until September 30, 2020 to apply for a payment or reimbursement. Payments and reimbursements will be made on a first-come, first-served basis, and must be made no later than 45 days after all required information is submitted.

(4) The department of treasury shall award not more than $5,000,000.00 to any applicant.

(5) The department of treasury shall provide a report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office not later than December 1, 2020. The report shall include a list by payment or reimbursement recipient of the date each was approved, the payment or reimbursement amount, and a description of the first responder hazard pay premiums, including the number of first responders covered and type of hazard pay premium covered by the payment or reimbursement.

(6) As used in this section, “applicant” means a city; village; township; county; public airport operator; ambulance operation licensed under section 20920 of the public health code, 1978 PA 368, MCL 333.20920; or a local governmental authority, intergovernmental agency, or organization that employs local public safety or local public health personnel and that was established by a city, village, township, county, or group thereof for the primary purpose of providing public safety or public health services.

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

(a) The purpose of the work project is to provide a payment or reimbursement of up to $1,000.00 per eligible first responder for hazardous duty or work involving physical hardship related to COVID-19.

(b) The project will be accomplished by utilizing state employees to provide payments or reimbursements to eligible applicants.

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

(d) The tentative completion date is December 30, 2020.

Sec. 802. From the funds appropriated in part 1 for teacher COVID-19 grants, there is allocated for 2019-2020 only an amount not to exceed $53,000,000.00 for equal payments to eligible K-12 classroom teachers who teach in a public school or nonprofit nonpublic school. Grants made to eligible teachers under this section shall be up to $500.00 per full-time equated eligible teacher. The department may retain up to 1/2 of 1% of the funds allocated under this section for administration of this section.

Sec. 803. (1) From the funds appropriated under part 1 for local units of government, the department of treasury shall make payments to eligible applicants to reimburse them for eligible public safety and public health payroll expenditures under section 5001 of the coronavirus aid, relief, and economic security act, Public Law 116-136.

(2) To receive funds under this section, not later than 1 week after the effective date of this bill, an eligible applicant must submit, in a form and manner described by the department of treasury, their eligible public safety and public health payroll expenditures incurred for the months of April and May. Any submissions received by the department of treasury after the due date for submission shall not receive a distribution under this subsection but shall be considered for any possible distributions under subsection (3). The department of treasury shall determine each eligible applicant’s allocation based on the eligible applicant’s expenditures submitted. If eligible submitted expenditures exceed the appropriation, payments must be prorated based on each eligible applicant’s proportionate share of expenditures submitted under this subsection. The department of treasury shall distribute funds no later than September 18.

(3) If funds remain after payments are made under subsection (2), the department of treasury must announce the opening of a second round of reimbursements. An eligible applicant must submit, in a form and manner described by the department of treasury, their eligible public safety and public health payroll expenditures incurred for the months of June and July not later than September 8. The department of treasury shall determine each eligible applicant’s allocation based on the eligible applicant’s expenditures submitted. If eligible submitted expenditures exceed the appropriation, payments must be prorated based on each eligible applicant’s proportionate share of expenditures submitted under this section. The department of treasury shall distribute funds within 60 days of the submission date in this section.

(4) Expenditures are not eligible for reimbursement under this section if such expenses have been or will be reimbursed by any other federal funds.

(5) As used in this section, “eligible applicant” means a county; city; village; township; or a local governmental authority, intergovernmental agency, or organization that employs local public safety or local public health personnel and that was established by a city, village, township, county, or group thereof for the primary purpose of providing public safety or public health services. However, a county or city that received a direct allocation from the coronavirus relief fund under section 5001 of the coronavirus aid, relief, and economic security act, Public Law 116-136, is an eligible applicant only to the extent which it has reimbursed, with nonfederal funds, a contracting local unit of government, local governmental authority, or intergovernmental agency for the costs of contracted nonfederal payroll for the eligible period.

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

(a) The purpose of the work project is to reimburse eligible applicants for eligible public safety and public health payroll expenditures under the coronavirus aid, relief, and economic security act, Public Law 116-136.

(b) The projects will be accomplished by utilizing state employees or by contracts.

(c) The total estimated cost of the work project is $200,000,000.00.

(d) The tentative completion date is December 30, 2020.

Sec. 804. The department of treasury shall reduce city, village, and township revenue sharing, county revenue sharing, and the county incentive program appropriated in 2019 PA 56 by amounts equivalent to each local unit's August payment. The department of treasury shall make any necessary technical adjustments to implement these reductions.

Sec. 805. (1) From the funds appropriated in part 1 for coronavirus relief local government grants, the department of treasury shall distribute funds to cities, villages, townships, and counties that would have received August payments under sections 952 and 955 of 2019 PA 56. These payments shall be made proportionate to the size of the reduction in section 804 and in a manner determined by the department. The department shall make any necessary technical adjustments to implement these distributions. Local governments may accrue payments received under this section to their immediately preceding fiscal year.

(2) Cities, villages, townships, and counties receiving funds appropriated in part 1 for coronavirus relief local government grants shall expend funds in compliance with the coronavirus aid, relief, and economic security act, Public Law 116-136. Cities, villages, townships, and counties receiving funds in part 1 shall report to the department of treasury on expenditures made with these funds in a form and manner determined by the department. Any funds received by local units of government and expended in a manner that does not adhere to the coronavirus aid, relief, and economic security act, Public Law 116-136, shall be returned to this state.

Sec. 806. (1) Upon approval by the state budget director and state treasurer, state funds are appropriated to 1 or more local units of government only if all of the following circumstances are met:

(a) The revenue is needed to satisfy a local unit of government's debt service or debt-service set-aside obligation through a state aid revenue sharing intercept agreement entered into between the local unit of government and the state treasurer prior to July 1, 2020.

(b) The amount of the appropriated revenue does not exceed the amount of sales tax revenue the local unit was scheduled to receive in August 2020 under the city, village, and township revenue sharing, county incentive, or county revenue sharing programs prior to reductions in those programs contained in this act.

(c) The local unit agrees to return to the state the full amount of the appropriation from any legally available funds.

(2) If the state treasurer determines that a local unit is unable to return revenue received under subsection (1) prior to September 30, 2020, the department of treasury shall establish as a receivable in the current fiscal year the amount of any unreturned revenue and shall recoup the amount from the local unit in subsequent bimonthly revenue sharing payments from the programs described in subsection (1)(b). The full amount of the revenue must be recouped no later than September 30, 2021.

(3) The state treasurer shall establish a method and form for local units of government to apply to receive revenue under this section.

REPEALERS

Sec. 900. (1) Sections 752, 753, and 754 of 2020 PA 66 are repealed.

(2) Sections 251, 301, and 303 of 2020 PA 67 are repealed.

(3) Sections 503, 601, and 604 of 2020 PA 123 are repealed.

This act is ordered to take immediate effect.

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