STATE OF MICHIGAN IN THE COURT OF CLAIMS

MACKINAC CENTER FOR PUBLIC POLICY, a domestic nonprofit corporation,

Plaintiff,

Case No. 25-000082-MM

 \mathbf{v}

HON. BROCK A. SWARTZLE

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY, a state government entity,

Defendant.

MACKINAC CENTER LEGAL

FOUNDATION

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DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY'S 06/17/2025 RESPONSE TO PLAINTIFF'S 05/20/2025 MOTION FOR PRELIMINARY INJUNCTION

ORAL ARGUMENT REQUESTED

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INTRODUCTION

For years, the Michigan Legislature has, on a bipartisan basis, included appropriations in its annual budget bill, to be awarded as grants to municipalities or other entities. Now, nearly a year after the Legislature passed its 2024-25 omnibus budget bill, Plaintiff selectively picked two such appropriations, out of more than 100 total, as test cases to challenge the constitutionality of this practice, arguing they require two-thirds approval by the Legislature.

But by bringing this action solely against the state department that received the appropriations, Plaintiff has failed to generate the adversity of interest necessary to create an "actual controversy," which must exist to reach these weighty constitutional questions. The Department of Labor and Economic Opportunity (LEO) did not enact the appropriations; did not choose the grant recipients; and does not have discretion in how the grants are administered. LEO is simply the vehicle through which the funds are to be expended, and it must comply with the conditions set by the Legislature. Accordingly, LEO is not "adverse" to Plaintiff on its constitutional claims, which means Plaintiff has not satisfied the jurisdictional requirement of MCR 2.605 to allow this Court to issue a declaratory judgment. Beyond that, given how long Plaintiff waited to file this action, some or all of its claims are now moot.

While a party may exist for which there is sufficient adversity on these important questions of Michigan constitutional jurisprudence, that party is not LEO. This Court should therefore deny the motion for preliminary injunction, because Plaintiff is unlikely to succeed on the merits.

STATEMENT OF FACTS

The single-recipient grants created by 2024 PA 121

On July 24, 2024, the Legislature enacted 2024 PA 121—its omnibus budget for fiscal year 2024-25. See 2024 PA 121. In Article 9, Part 2, §§ 1050a(8) and 1050c(6) of that budget, the Legislature appropriated, respectively, the following funds to LEO:

From the funds appropriated in part 1 for community enhancement grants, \$1,000,000.00 shall be awarded to a baseball stadium located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support infrastructure improvements. [§ 1050a(8).]

From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall be awarded to support capital and security improvements to a ballpark located in a city with a population between 5,000 and 5,500 in a county with a population between 800,000 and 900,000 according to the most recent federal decennial census. [§ 1050c(6).]

The above boilerplate language represents two of numerous "special grants intended for a single recipient." (Ex A, Lansing Grant Application, p 1; see also 2024 PA 121, Art 9, Part 2, § 222(1).)

These single-recipient grants must meet several statutory requirements. For example, the grant program or project must be "for a public purpose." 2024 PA 121, Art 9, Part 2, § 222(1). (Ex E, Section 222 Excerpt from PA 121.) Further, the relevant state department—here, LEO—must follow procurement statutes, "including any bidding requirements, unless it can fully validate, through information detailed in . . . [the budget bill] or public supporting documents, both of the following: (a) The specific organization or unit of local government that will

receive or administer the funds[; and] (b) How the funds will be administered and expended." *Id.* LEO also must take several additional steps in administering the grants, including "[d]evelop[ing] a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3)." *Id.*, § 222(2)(a).

As it relates to the standard application process, the State Budget Office (SBO) provided legislative offices with a special grant packet following PA 121's enactment. (See Ex A, pp 1–3.) The packet includes the following summary of the application process:

Special Grant Process

This process flow is a general guideline; some projects will differ. Please feel free to contact us at any time if you hat questions or concerns related to the process or the specifics of your grant.



As it relates to sponsorship information (Step 3 above), § 222(3) requires that "[a] sponsor of a grant described in subsection (1) must be a legislator or the department." (Emphasis added.) Section 222(3) further provides:

A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable.

In the event "a legislative sponsor [was] not identified before December 13, 2024[,]" LEO had two options—it could either "[i]dentify [itself] as the sponsor" or "[d]ecline to execute the grant agreement and lapse the associated funds at the end of the fiscal year." *Id.*, § 222(3)(a)–(b).

The grants awarded under §§ 1050a(8) and 1050c(6)

Following PA 121's passage, and as noted for Step 2 in the special grant process, SBO sent application packets for single-recipient grants to all legislative offices in August 2024. (Ex C, SBO Grant Application Email.) SBO's transmittal of the application packets was accompanied by a template sponsorship letter and a template budget form. (*Id.*) As is clear from the template letter and budget form, LEO would be assured that it would receive all the information required under § 222 prior to awarding any grant funds appropriated in 2024 PA 121, Part 9, Art 2, §§ 1050a(8) and 1050c(6). (See *id.*) SBO instructed legislative offices to complete the forms and identify grant sponsors "by December 13, 2024, per boilerplate." (*Id.*)

On December 3, 2024, Senator Michael Webber submitted a completed special grant application packet to SBO and LEO for the § 1050c(6) single-recipient

grant. (Ex B, Utica Grant Packet, p 20.) Senator Webber's sponsorship letter certified that the grant was for a public purpose, identified the grant recipient as GS Entertainment LLC, and provided the following, more detailed explanation:

The purpose of the project is to conduct capital and security improvements to the minor league baseball stadium located at 7171 Auburn Road, Utica[,] Michigan 48317[,] that will help maintain the facility as a major community asset for affordable family entertainment as well as local youth and high school basketball, graduation ceremonies, use as a site for non-profit fundraisers such as charity walks and 5k races in Macomb County, with the improvements to include: Construction Improvements: construction and installation of a sustainable synthetic turf athletic field surface; Equipment Improvements: addition of new security equipment including metal detectors, an upgraded security camera system, and an updated access control system to access the facility; Building Maintenance and Repair: maintenance and repair to include repair to LED ad panels, repair to seating bowl seats, repair to concrete and masonry, paint repair work. [Id.]

No other application packets were received by SBO or LEO for the grant funded under § 1050c(6).

On December 13, 2024, Senator Sarah E. Anthony submitted a completed special grant application packet to SBO and LEO for the § 1050a(8) single-recipient grant. (Ex A, p 6.) Senator Anthony's sponsorship letter certified that the grant was for a public purpose, identified the grant recipient as Lansing Entertainment Public Facilities Authority (LEPFA), and provided the following explanation:

The funds will go towards the renovation of the field at Jackson Field to follow Major League Baseball requirements. [*Id.*]

No other application packets were received by SBO or LEO for the grant funded under § 1050a(8).

Statutory process following receipt of the sponsorship letters

Given the specificity of the appropriations and the sponsorship letters from Senators Webber and Anthony, there remained no question as to which entities were to receive the grant funds appropriated in §§ 1050a(8) and 1050c(6). Further, because the sponsorship letters were received by the December 13, 2024 deadline, LEO had no discretion to identify itself as the sponsor of the grants or to decline to execute a grant agreement. See § 222(3). Thus, upon receiving the sponsorship letters, LEO was required to follow the remaining steps under the process outlined by PA 121 and SBO, including LEO drafting a grant agreement; the grantee executing the agreement and returning it to LEO; the grantee executing a purchasing document to enable it to receive EFT payments; and the disbursal of funds (following which comes reporting duties, auditing and oversight authority by LEO, and full expenditure of the funds). (Ex A, p 3); see also § 222(2)–(4).

Starting first with the grant funds appropriated under § 1050c(6), LEO, in accordance with the statutory requirements, executed a grant agreement with GS Entertainment LLC, on March 7, 2025. (Ex B, p 17.) Following the agreement's execution, GS Entertainment LLC has already incurred expenses and submitted payment requests to LEO for a total of \$83,823.40. (Ex D, Grant Payment Requests.) This means GS Entertainment, after having signed the grant agreement, has certain rights, as set forth in that agreement, to the funds that were appropriated under § 1050c(6).

Turning to the grant funds appropriated under § 1050a(8), LEO had not, as of the date this lawsuit was filed, executed a grant agreement with LEPFA.¹ But under § 222(2)(b), LEO is obligated "to execute a grant agreement with [LEPFA]" after "all necessary documentation has been submitted and reviewed." Stated otherwise, and absent a potential order from this Court to the contrary, LEO lacks the discretion to refrain from executing a grant agreement with LEPFA. And although LEPFA does not have an executed grant agreement at this time, it may have other rights or protected interests in the § 1050a(8) funds, by way of Senator Anthony's sponsorship letter, its completed application packet, and the plain language of PA 121.

The instant lawsuit

On May 20, 2025, Plaintiff Mackinac Center for Public Policy filed the instant lawsuit, solely against LEO, containing the following two causes of action: (1) a declaration that the appropriation of funds under § 1050a(8) is unconstitutional along with corresponding injunctive relief; and (2) a declaration that the appropriation of funds under § 1050c(6) is unconstitutional along with corresponding relief. (See Am Compl, ¶¶ 36–51.) In seeking this relief, Plaintiff has sued a state department that lacks any discretion regarding the expenditure of the appropriated funds.

¹ Based on the timing of this lawsuit, LEO has refrained from executing the final grant agreement with LEPFA and intends to so refrain while the instant motion for preliminary injunction remains pending.

PRELIMINARY INJUNCTION STANDARD

The traditional four-factor preliminary injunction standards are well established, but it should be noted at the outset that "injunctive relief is an extraordinary remedy that issues only when justice requires, there is no adequate remedy at law, and there exists a real and imminent danger of irreparable injury." *Johnson v Mich Minority Purchasing Council*, 341 Mich App 1, 9 (2022) (cleaned up). "The moving party has the burden of demonstrating that a preliminary injunction should be issued." *Id*.

This Court considers four factors in reviewing a motion for preliminary injunction:

(1) the likelihood that the party seeking the injunction will prevail on the merits, (2) the danger that the party seeking the injunction will suffer irreparable harm if the injunction is not issued, (3) the risk that the party seeking the injunction would be harmed more by the absence of an injunction than the opposing party would be by the granting of the relief, and (4) the harm to the public interest[.]" [Davis v Detroit Fin Review Team, 296 Mich App 568, 613 (2012).]

Here, all of the injunction factors weigh against the issuance of extraordinary relief, particularly because Plaintiff's claims, as against LEO, are unlikely to succeed on their merits.

ARGUMENT

I. Plaintiff is unlikely to succeed on the merits of its constitutional claims.

The first preliminary injunction factor is the likelihood that Plaintiff will succeed on the merits of its constitutional challenge. Plaintiff cannot clear this hurdle for two reasons: (1) by naming LEO as the sole defendant, this case now lacks the foundational "actual controversy" under MCR 2.605 that is necessary to invoke this Court's jurisdiction to issue a declaratory judgment; and (2) because Plaintiff waited so long to challenge these appropriations, which went into effect nearly a year ago, some or all of its claims are now moot.

A. LEO lacks the adversity necessary for an "actual controversy," which deprives this Court of jurisdiction to issue a declaratory judgment.

For this Court to have jurisdiction to issue a declaratory judgment under MCR 2.605(A)(1), there must be an "actual controversy" between the parties. To the extent an actual controversy exists related to the challenged appropriations included by the Legislature in the 2024-25 budget, that controversy is plainly not between LEO and Plaintiff. Accordingly, there is no reasonable likelihood that Plaintiff will prevail on the merits of these constitutional claims as against LEO, and the motion for preliminary injunction should be denied.

1. MCR 2.605 requires an actual controversy for this Court to issue a declaratory judgment.

In its Complaint, Plaintiff expressly asks this Court to "issue a declaratory judgment that these two grants are null and void for the reasons set forth in the Complaint." (Compl, p 9.) In other words, Plaintiff seeks a declaratory judgment that these two grants violate the Michigan Constitution because they are for either a local or private purpose and did not pass with two-thirds approval in both houses of the Legislature. (Compl, ¶¶ 36–51.)

This Court's jurisdiction to issue declaratory judgments derives from MCR 2.605(A)(1), which provides, "[i]n a case of actual controversy within its jurisdiction, a Michigan court of record may declare the rights and other legal relations of an interested party seeking a declaratory judgment[.]" (emphasis added). "When there is no actual controversy, the court lacks jurisdiction to issue a declaratory judgment." Van Buren Charter Twp v Visteon Corp, 319 Mich App 538, 545 (2017). Indeed, an "actual controversy" has been described as "a condition precedent to the invocation of declaratory relief." PT Today v Comm'r of the Office of Fin and Ins Servs, 270 Mich App 110, 127 (2006).

This necessity of an actual controversy serves a critical purpose: it "prevents a court from deciding hypothetical issues" because it mandates that for every plaintiff who seeks such a declaration, there must be a party on the other side who represents an "adverse interest necessitating the sharpening of the issues raised." *UAW v Central Mich Univ Trustees*, 295 Mich App 486, 495 (2012) (cleaned up). Put another way, it "requires sufficient pleading and proof to present the court with

a defined issue, shaped and sharpened by the adversary posture of the parties."

Michigan Dep't of Social Servs v Emmanuel Baptist Preschool, 434 Mich 380, 470

(1990) (emphasis added). Stated even more colorfully by our Supreme Court nearly 100 years ago, the inclusion of an "actual controversy" requirement in a declaratory judgment law is necessary to prevent our courts from becoming "a fountain of legal advice to fill the cups of loitering wayfarers[.]" Washington-Detroit Theater Co v Moore, 249 Mich 673, 676 (1930).

As former Justice Viviano recently observed, the necessity of an actual controversy between the named parties "has been a central feature in the proper exercise of judicial power," and "the very concept of judicial power has been thought to require adverse parties." *In re Jarzynka*, __ Mich __ (2023) (Docket No. 164753) (VIVIANO, J., concurring); slip op at 5. As addressed in more detail below, when it comes to the constitutional arguments that are the heart of Plaintiff's claims, there is insufficient adversity between Plaintiff and LEO to rise to the level of an "actual controversy." Plaintiff is therefore unlikely to succeed on the merits of those claims because this Court lacks jurisdiction to issue a declaratory judgment.

2. LEO administers the appropriations as directed by the Legislature and is not adverse on the merits of the constitutional challenges raised by Plaintiff.

As noted by Plaintiff, LEO is a principal department of state government, created by Executive Reorganization Order 2019-3. (Compl, ¶ 33.) In its Complaint and accompanying Motion for Preliminary Injunction, Plaintiff has not alleged that LEO had any role in drafting the 2024-25 budget bill; determining how much

funding would be provided from the state's general fund for one-time "community enhancement grants"; selecting which municipalities or entities would be identified to receive those grants; or otherwise participating in the legislative process that ultimately led to the final passage and signing into law of Public Act 121 of 2024.

LEO's role with respect to the two challenged appropriations is inherently limited and essentially ministerial. The Legislature appropriated a pool of funds from the state's general fund (totaling over \$140 million) to LEO for "community enhancement grants"; laid out specific requirements and procedures for how such grants are to be awarded and executed, including the need for a legislative sponsor (2024 PA 121, Art 9, Part 2, § 222); and identified each intended grant recipient for those funds (see *id.*, §§ 1050a–1050e). To fulfill its duties on these appropriations, LEO must comply with the conditions the Legislature has placed on it.

Because of its limited role, LEO is not the proper or necessary party that is sufficiently adverse to Plaintiff to "sharpen" the constitutional claims Plaintiff wants to litigate. These are not LEO's appropriations or LEO's processes that are under attack. Indeed, Plaintiff does not make a single allegation that LEO has taken any unlawful action or that it has failed to comply with the requirements attached to these specific appropriations. In short, LEO does not have a sufficient stake in the appropriations process that would justify carrying the banner of defending their merits against these constitutional challenges. At best, LEO is neutral as to the outcome of the constitutional claims and will defer to and respect any final adjudication by our courts. But in the context of Plaintiff's motion for a

preliminary injunction, LEO's non-adversarial role in the appropriations process means there is no "actual controversy" between the current litigants, which deprives this Court of jurisdiction. Accordingly, Plaintiff is unlikely to prevail on the merits of its constitutional challenges as against LEO, and the motion must therefore be denied.

B. Plaintiff's belated challenges to appropriations enacted in July 2024 are moot.

In addition to lacking an actual controversy, Plaintiff's challenges to these single-recipient grants are not timely because the funds at issue are already obligated to recipients identified by each grant's legislative sponsor. An issue is moot when it is impossible for a court to fashion an appropriate remedy. *Garratt v Washington*, 314 Mich App 436, 449 (2016). Once grant funds, such as those challenged here, are obligated, it is as if they have been spent. The court can no longer require the funds be returned or not spent, because the recipients of those funds may have protected interests in them. Moreover, some of those funds have already been paid to and spent by the grantee. How does Plaintiff suggest this Court, or LEO, recover those funds? It is simply too late now for Plaintiff to ask this Court to prevent the expenditure of obligated funds, or claw-back expended funds. Accordingly, Plaintiff is unlikely to prevail on the merits as its claims are moot, and this Court should deny the motion for preliminary injunction.

1. The Utica grant has been executed and is already in effect.

In the case of the § 1050c(6) grant (Utica grant), a grant agreement has been executed, and funds have already been expended, totaling over \$80,000 to date. (Ex D.) LEO received a completed special grant application packet for this award on December 3, 2024, which identified a grant recipient, GS Entertainment LLC. In accordance with the statutory requirements, LEO executed a grant agreement with GS Entertainment LLC on March 7, 2025. (Ex B, p 17.) GS Entertainment LLC now has contractual rights and interests in the continued receipt of those funds. An injunction on continued expenditure of the funds would implicate the rights of the grantee, who is not party to this litigation. Further, LEO has, as of the date of this filing, made several payments to the grantee, pursuant to that executed agreement. That money is effectively gone and beyond the grasp of the court to claw-back. "Public funds paid . . . prior to a judicial determination that the underlying act is unconstitutional may not be recovered because paid out under a claim of right at the time." Hertel v Racing Comm'r, 68 Mich App 191, 197 (1976), citing Lemon v Kurtzman, 411 US 192 (1973) (observing that "[u]ntil judges say otherwise, state officers... have the power to carry forward the directives of the state legislature.").

2. The Lansing grant application has been submitted, and LEO is required to execute a grant agreement.

LEO has not yet, as of the date of this filing, executed a grant agreement for the § 1050a(8) grant (Lansing grant). However, a recipient (LEPFA) has been identified, and the grant agreement was nearly completed at the time this lawsuit

was filed. LEO received a completed special grant application packet for this award on December 13, 2024, which identified LEPFA as the intended grantee. (Ex A.) Following receipt of the grant application, LEO began its statutorily required review of all necessary documentation. Once that review is complete, PA 121 requires LEO to execute a grant agreement with LEPFA for the purpose identified and the amount appropriated by the Legislature. So, while LEPFA does not have an executed grant agreement, like GS Entertainment LLC, it may have its own vested interest in the § 1050a(8) funds by virtue of the sponsorship letter, completed grant application, and the plain language of PA 121. Similar to the situation with the Utica grant, an injunction prohibiting the expenditure of funds for this grant may also implicate the rights of that intended grantee, who is not a party here.

3. This is not a scenario which is capable of repetition, yet evading review.

Finally, this is not a case where the "capable of repetition, yet evading review" exception to mootness applies, see *Memphis A Philip Randolph Institute v Hargett*, 2 F4th 548, 559 (CA 6, 2021), as there was plenty of time for Plaintiff to challenge these appropriations and request injunctive relief, *before* grant recipients were identified and the completed grant applications were submitted. Moreover, if this is a practice that our Legislature continues to employ, there will be ample opportunity for Plaintiff to identify similar appropriations to challenge in the 2025-26 or other future fiscal year budget.

But the funds for these grants were appropriated in the fiscal year 2024 budget, which was approved by the Governor and became effective beginning July 24, 2024. In order for LEO to obligate the appropriated funds, a sponsor and intended recipient must have been identified by December 13, 2024. Plaintiff could have filed its claim and requested injunctive relief before the sponsorship deadline. Once a sponsor and intended recipient were identified, however, and assuming the other conditions of PA 121 were satisfied, the funds were obligated to that recipient and LEO is without discretion to refuse to expend them. Moreover, some of the funds at issue have already been spent by the Utica grantee, pursuant to a fully executed grant agreement. There is no reasonable mechanism to get those funds back now.

II. There is no real or imminent danger of irreparable injury that requires an injunction.

In its motion, Plaintiff focuses the bulk of its discussion on the merits of the constitutional claims and pays short shrift to the other preliminary injunction factors. Specifically, on the issue of irreparable harm, Plaintiff acknowledges that it is *required* to make "a particularized showing of irreparable harm," but then only points broadly to the quantity and monetary value of "earmarks" in the two most recent fiscal year budgets and cites to media reports regarding "requests" for similar funding in the 2025-26 budget that has, of course, not yet been passed. (Pl's Br, pp 49–50.) And while Plaintiff makes a passing nod to the taxpayer standing statute, MCL 600.2041(3), it points to no authority suggesting that standing under

that statute *automatically* justifies or warrants a finding of irreparable harm for injunctive relief purposes.

This cursory treatment of the irreparable harm factor falls far short of the required showing of "particularized harm" to support the extraordinary relief of a preliminary injunction. Notably, our courts have held that "when the record fails to indicate that a public body has acted in bad faith, there is no real and imminent danger of irreparable injury requiring issuance of an injunction." *Davis*, 296 Mich App at 621. And in cases where declaratory relief is also sought, "declaratory relief should be considered first and will suffice in most cases involving the legislative and executive branches." *Id.* at 622.

Here, even assuming LEO is the proper defendant against which this injunction is sought, the first option in awarding relief should simply be issuing a declaratory judgment, which LEO – as an Executive Branch agency – is expected to follow. "Only when declaratory relief has failed should the courts even begin to consider additional forms of relief in these situations." *Straus v Governor*, 459 Mich 526, 532 (1999) (recognizing that "declaratory relief normally will suffice to induce the legislative and executive branches, the principal members of which have taken oaths of fealty to the constitution identical to that taken by the judiciary . . . to conform their actions to constitutional requirements or confine them within constitutional limits."). The second injunction factor, therefore, also weighs against Plaintiff's requested relief.

III. The remaining injunction factors weigh in LEO's favor.

Similar to the irreparable harm factor, Plaintiff has not offered a meaningful argument or analysis that the final factors (balancing of harms and public interest) weigh in its favor to enjoin these appropriations so long after they were enacted. Rather, Plaintiff concludes without explanation that LEO "would not be harmed by continuing to hold the appropriations until the suit has concluded," simply because funds for similar grants "often take a long time to be disbursed[.]" (Pl's Br, p 50.) In doing so, Plaintiff ignores the practical reality that one grant is fully executed and enforceable, and the other has a completed grant application with the necessary legislative sponsor. Plaintiff thus fails to grapple with the potential harm that could come from LEO failing to honor its obligations to either or both of these grantees. At a minimum, LEO would be exposed to more harm (i.e. potential claims by third parties GS Entertainment LLC and LEPFA) by the issuance of an injunction than Plaintiff would by failing to issue an injunction. On that last point, Plaintiff does not claim that it would suffer any particular or unique harm if an injunction is not issued.

Moreover, Plaintiff's overtures to the scope of similar appropriations are irrelevant where Plaintiff opted to challenge only these two specific appropriations. Even assuming Plaintiff's cited statistic is true, and "there were 342 earmarks totaling \$1.6 billion for FY 23-24," those appropriations are not being challenged in this lawsuit. Nor is it of any consequence for the instant analysis that there may have been "earmarks totaling approximately \$1 billion" in the 2024-25 budget; again, Plaintiff has not challenged *all* similar appropriations, only these two.

Finally, it is not enough to demonstrate that the public interest weighs in favor of an injunction by merely stating, "[p]reventing illegal expenditures in this amount is in the public interest," without providing any further analysis or discussion. Few would argue with that proposition. But its flaw is that it depends entirely on the expenditures being "illegal" in the first place, which is a merits question addressed by the first injunction factor. As discussed above, Plaintiff is unlikely to prevail on that claim as against LEO, because there is no actual controversy and the claims are moot.

CONCLUSION AND RELIEF REQUESTED

For the reasons discussed in this response, Defendant LEO respectfully requests that this Court deny Plaintiff's motion for a preliminary injunction.

Respectfully submitted,

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Dated: June 17, 2025

EXHIBIT A

Key Information for Grantees

PA 121 of 2024, the FY25 Michigan budget and FY24 supplemental, includes funding for special grants intended for a single recipient. The budget includes language (called boilerplate) that provides a description of the project as well as certain requirements that all projects must comply with. Boilerplate language is binding and all projects must comply with the rules and regulations contained in the language.

You can find the budget bill <u>here</u>. Transparency boilerplate was included in all department budgets and the FY24 supplemental.

Important information to note:

- The attached application will be used to develop and execute a grant agreement between each grantee and the relevant department. Grantees should work with their Legislative Sponsor to return the following application form to the State Budget Office.
- All applications must be submitted and legislative sponsors identified no later than December 13, 2024 pursuant to boilerplate.
- Eligible grantees include: units of local government, public authorities or other political instrumentalities, institutions of higher education, other state departments, entities registered with the department of licensing and regulatory affairs (LARA) or the department of attorney general (AG) that have been in existence for at least 12 months, or other entities that can demonstrate through tax filings or government records that they have been in existence for at least 12 months.
 - To check registration with LARA, check <u>here</u>: https://cofs.lara.state.mi.us/SearchApi/Search/Search
 - To check registration with AG, check <u>here</u>: https://www.ag.state.mi.us/CharitableTrust/frmDisclaimer.aspx
- Please ensure primary grant contact on the application is the fiduciary contact for the project.
- If the attached application is incomplete or missing information, grant processing may be delayed.
- To receive funds, all organizations must be registered in the State of Michigan SIGMA Vendor Self-Service (VSS) System. More information about registering for VSS can be found here.
- Within 60 days of an executed grant agreement, an initial disbursement of up to 50% will be provided to the grantee. Please note, a 50% initial payment is not guaranteed nor required, and any advanced payments may be subject to additional approvals from the Office of Financial Management pursuant to the Financial Management Guide of the State of Michigan. (Defined terms and conditions are included in the grant agreement).

Document received by the MI Court of Claims.

- After the initial disbursement, additional funds will be disbursed on a reimbursement basis after verification that previous funds were expended in accordance with the project purpose.
- There is no requirement to have match funds for the grant.
- The grant cannot be increased or deviated from the boilerplate language.
- Grant funds can only be used for expenditures that occur on or after the effective date of the appropriations act unless otherwise specified in department policy.
- Any interest over \$1,000 earned on grant funds, while in the possession of the grantee, must be returned to the State of Michigan.
- Any questions that arise prior to submitting a grant application should be directed to the Grantee's Legislative Sponsor.
- Any questions that arise after submitting a grant application should be directed to the department.
- For timing and next steps, please review the attached process document.

Completed application materials can be submitted to:

DTMB-SBOGrantForms@michigan.gov

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Special Grant Process

This process flow is a general guideline; some projects will differ. Please feel free to contact us at any time if you have questions or concerns related to the process or the specifics of your grant.

Appropriations Bill Signed.

Special Grant application packet from SBO distributed to Legislative Offices.

•Legislative Offices complete legislative sponsorship letter and work with grantee to complete grant application and budget. Forms are returned to SBO and the department no later than December 13, 2024.

•SBO distributes completed packets to the department. Department reviews materials submitted by legislative sponsor/grantee and has 45 days to respond as to whether materials are sufficient or if additional information is needed.

 Once department has received completed materials from grantee/sponsor, department drafts grant agreement.

Grantee returns signed grant agreement

•Department countersigns grant agreement and sends out copies.

The purchasing document will be finalized

 Prior to this step the Grantee must be registered to receive EFT payments through VSS. No payments can be made without this step being completed.

Grant funds disbursed

 Initial grant funds will be disbursed according to the executed grant agreement and after completed vendor registration.

Reporting

- Reporting must be submitted to the department and the legislative sponsor in a manner determined by the department.
- •Instructions will be sent out.
- A final report is due upon project completion or the end of the grant term.

Grant fully expended

 An acknowledgement email will be sent once all funds have been expended and all documentation has been reviewed and approved.

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	Special Grant A	pplication Form	
Official Grantee: Lansing	g Entertainment Pu	blic Facilities Authority	
Grantee Full Address: 333	3 E Michigan Ave, La	ansing, MI 48933	
Grantee Primary Contact:	Tristan Wright		
Phone: 517-908-4004		Email: tristan.wright@lepfa.com	
Legislative Sponsor(s): Sar	ah Anthony	Appropriated Amount: 1,000,000	
4-17	Sarah Anthony		
Questions for Legislativ			
	100	embers of the legislative sponsor associated loyee, financial donor, etc.) No	
If so, please explain:	,	, 140	
2. Does this grant comply vand PA 318 of 1968, MCL 15		Article IV, § 10 of the Michigan Constitution s	_
Questions for Official (Grantee		
	A SECTION AND A COMPANY OF THE PROPERTY OF THE	ublic authority or other political instrumentali ation, or other state department? Yes	ty
	neral and been in e	ment of licensing and regulatory affairs or the xistence for at least the 12 months preceding	_
3. If the answers to #1 and	#2 are no, does the	grantee have other state or federal tax filin	gs Jo

- 3. If the answers to #1 and #2 are no, does the grantee have other state or federal tax filings or other government records that demonstrate the grantee has been in existence for at least the 12 months preceding the effective date of this act?

 N/A

 If yes, please attach any relevant records.
- 4. Please describe the public purpose of the project, demonstrating it is consistent with language authorizing grant in PA 121 of 2024. Please provide additional explanation that gives more detail than is currently contained in the boilerplate language.

The purpose of this project was to ensure that Jackson Field is in full compliance with Major League Baseball facility standards. The field renovation project included an all new playing surface, upgraded drainage capabilities, enhanced irrigation, a new netting system to span from the end of the dugout to the foul poles for fan safety, and new padding around the interior of the playing surface for player safety.

^{*}Grantees can check registration with LARA here and with AG here.

- 5. Fill out the anticipated dollar amount for each respective category of the budget, using the excel budget form provided. Please note the general administrative expense cannot exceed 10% of the grant amount.
- 6. Anticipated time-frame for each cost identified in the budget (this will reflect the period of the grant).

The field replacement project and netting system replacement has been completed. The new padding will be installed in February of 2026.

7. I acknowledge that the boilerplate language related to this grant has been read and confirm that all requirements for the grantee and project comply with the boilerplate language pertaining to this grant. (Sign to acknowledge)

Tristan Wright

- 8. I acknowledge that I will be required to submit progress reports and a final report including:
 - i. A summary of the Grant Activities performed over the period determined by the department;
 - ii. An accounting of Grantee's actual expenditure of all funds on the Project over the period determined by the department, including the breakdown of Grantee's actual use of Grant funds on the Project within each applicable category of the Budget, and corresponding copies of supporting documentation of such expenditures, such as receipts, general ledgers, or other evidence of expenditure activity statements; the Grantee's estimated percentage of completion of the Project; and

Tristan Wright		

iii. Any other information deemed relevant by Grantee to support the Grant Activities actually performed.

9. Identify authorized signer(s) for Grant Agreement.

Tristan Wright

10. Please be advised any portion of the grant funds paid to grantee and not spent or not spent in accordance with the grant agreement must be returned to the department.

NOTICE:
This Grant Application Form is not a legally binding agreement and should not be viewed as such. Moreover, the Grant Application Form does not embody all of the terms and conditions of the grant agreement and neither the department nor the grantee will be bound until there is an executed grant agreement that sets forth all the terms and conditions.



SARAH E. ANTHONY

21ST DISTRICT
P.O. BOX 30036
LANSING, MI 48909-7536
PHONE: (517) 373-6980
FAX: (517) 373-0897
sensanthony@senate.michigan.gov

THE SENATE STATE OF MICHIGAN

December 13, 2024

Jennifer L. Flood State Budget Director 111 South Capitol Avenue Lansing, MI 48910 Director Susan Corbin Department of LEO 105 W. Allegan St. Lansing, MI 48933

Dear Directors:

SUBJECT: Legislative Sponsorship of Public Act 121 of 2024 Grant

In accordance with Public Act 121 of 2024, Article 9, Section 1050a (8), I am pleased to sponsor the grant identified below and I certify that this grant is for a public purpose.

The following information summarizes the grant I am sponsoring:

GRANT SUMMARY

Grant Recipient: Lansing Entertainment Public Facilities Authority

Grant Amount: \$1,000,000

Boilerplate Section: Article 9, Sec. 1050a (8)

Authorizing Grant

Boilerplate Language: From the funds appropriated in part 1 for community

enhancement grants, \$1,000,000.00 shall be awarded to a baseball stadium located in a city with a population between 112,000 and 113,000 according to the most recent federal decennial census to support infrastructure

improvements.

Public Purpose: The funds will go towards the renovation of the field at

Jackson Field to follow Major League Baseball

requirements.

Please see attachments for the completed grant application form and grant project budget which provide additional detail and contact information for the grant recipient. My office is available for questions should they arise.

In Service,

Sarah Anthony

Senate Appropriations Chair

21st Senate District

Sarah anthony

Special Grant Project Budget

Other/Additional Notes" column. You will be asked to report based on these budget categories. It is recommended that the budget have between 2-5 line items. Keeping the budget at a fairly high-level minimizes the need to amend the budget if the project costs deviate slightly from the plan. The "Local" and "Other" columns are optional. Six line items is the maximum Please enter the major cost elements of the project, selecting from the drop down list options. If you select an activity with a ":" please add a few additional words of description in the allowed.

1. Grantee: Lansing Entertainment Public Facilities Authority	ity	2. Project Title: Jackson Field rennovations	novations		
3. Project Cost Elements		4. Funding Sources			
Activities	Other/Additional Notes	Michigan Enhancement Grant	Local Funding	Other Funding	Total
Building Repair & Maintenance	Major League Baseball PDL compliance	\$ 1,000,000.00			\$ 1,000,000.00
	Total	\$ 1,000,000.00	- \$	- \$	1,000,000.00

Document received by the MI Court of Claims.

EXHIBIT B

GRANT NO. JJFIELD25

GRANT BETWEEN THE STATE OF MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY AND GS ENTERTAINMENT LLC

GRANTEE/ADDRESS:

Andrew Appleby
GS Entertainment LLC
7171 Auburn Rd,
Utica Mi, 48317
248-601-2400
aappleby@generalsports.com

GRANT ADMINISTRATOR/ADDRESS:

Amber Covington
Michigan Department of Labor & Economic Opportunity
2501 Woodlake Circle
Okemos MI, 48864
(517) 284-4007
LEO-Grants@michigan.gov

GRANT PERIOD:

This Agreement will commence on January 1, 2025, and continue through May 31, 2026. No activity will be performed and no costs to the state will be incurred prior to the effective date of the Agreement. Throughout the Agreement, the effective date January 1, 2025, shall be referred to as the start date. This Agreement is in full force and effect for the period specified.

TOTAL AUTHORIZED BUDGET: \$1,500,000.00

Federal Contribution:

State Contribution: \$1,500,000.00

Local Contribution: Other Contributions:

ACCOUNTING DETAIL:

UEI:

Federal ID: 35-2536522

SIGMA Vendor I.D. CV0016820 SIGMA Payment Address Code: 001

The Agreement is designated as a: Recipient (non-federal funding).

Special Conditions:

- A. This Agreement is valid upon approval and execution by the Department which may be contingent upon approval by the State Administrative Board and signature by the Grantee.
- B. This Agreement is conditionally approved subject to and contingent upon the availability of funds.
- C. Based on the availability of funding, the Department may specify the amount of funding the Grantee may expend during a specific time period within the Agreement Period.
- D. The Department will not assume any responsibility or liability for costs incurred by the Grantee prior to the start date of this Agreement.
- E. The Grantee is required by 2004 PA 533 to receive payments by electronic funds transfer.

GRANT

This is Grant JJFIELD25 between the Department of Labor and Economic Opportunity (Grantor), and GS Entertainment LLC (Grantee), subject to terms and conditions of this grant agreement.

General Provisions: The Grantee agrees to comply with the General Provisions and Progress Reporting as described in Part I, Part II and Attachment E Program Specific Requirements, which are part of this Agreement.

Agreement Amount: The total amount of this Agreement is \$1,500,000.00. Under the terms of this Agreement, the Department will provide funding not to exceed \$1,500,000.00.

1.0 Statement of Purpose

The purpose of the program is to conduct capital and security improvements to the minor league baseball stadium located at 7171 Auburn Road, Utica, Michigan 48317 that will help to maintain the facility as a major community asset site for affordable family entertainment as well as local youth and high school baseball, graduation ceremonies, use as a site for non-profit fundraisers such as charity walks and 5k races, etc. in Macomb County, with the improvements to include: Construction Improvements: construction and installation of a sustainable synthetic turf athletic field surface; equipment improvements addition of new security equipment including metal detectors, an upgraded security camera system and an upgraded access control system to access the facility; Building Maintech & Repair: maintenance and repair to include repair to LED ad panels, repair to seating bowl seats, repair to concrete and masonry, paint repair work.

1.1 Statement of Work

The purpose of this project is to conduce capital and security improvements to the minor league baseball stadium. Improvements to include construction and installation of all sustainable synthetic turf athletic field surface, addition of new security equipment including metal detectors, and upgraded security camera system, and an upgraded access control system, building maintenance and repair to include LED advertising panels, seating, concrete, masonry and painting.

These services are more specifically described in the Grantee's Proposal, Attachment A, Workplan.

1.2 Detailed Budget

- A. This Agreement does not commit the State of Michigan (State) or the Department of Labor and Economic Opportunity (LEO) to approve requests for additional funds at any time.
- B. If applicable, travel expenses will not be reimbursed at rates greater than the State Travel Rates, Attachment C, without the prior written consent of the Grant Administrator.
 - 1. If the Grantee has a documented policy related to travel reimbursement for employees and if the Grantee follows that documented policy, the Department will reimburse the Grantee for travel costs at the Grantee's documented reimbursement rate for employees. Otherwise, the state of Michigan travel reimbursement rate applies.
 - 2. Federally funded Grantees must comply with Title 2 CRF 200.475.
 - 3. State of Michigan travel rates may be found at the following website:

https://www.michigan.gov/dtmb/0,5552,7-358-82548 13132---,00.html d. International travel must be preapproved by the Department and itemized in the budget.

C. Attachment B is the Budget. The Grantee agrees that all funds shown in the Budget are to be spent as detailed in the Budget. No funds shall be spent for "lobbying" and related activities as defined in MCL 4.415.

1.3 Amendments

Changes in the Budget or workplan will be allowed only upon prior review and written approval by the Grant Administrator. Any changes to this Agreement will be valid only if made in writing and executed by all parties through an amendment to this Agreement. Any change proposed by the Grantee which would affect the Department funding of any project must be submitted in writing to the Department immediately upon determining the need for such change. The Department has sole discretion to approve or deny the amendment request. The Grantee must, upon request of the Department and receipt of a proposed amendment, amend this Agreement.

1.4 Deviation Allowance

A deviation allowance modifying an established budget category by up to 5%, is permissible without prior written approval of the Department. Any modification or deviations in excess of this provision, including any adjustment to the total amount of this Agreement, must be made in writing and executed by all parties through an amendment to this Agreement before the modifications can be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items or positions not shown in the attached Program Budget Summary and supporting detail schedules.

Changes in the Budget greater than 5% of the budget category amount will be allowed only upon prior review and written approval by the Grant Administrator. A formal grant amendment must be signed by both the Grantor and Grantee.

1.5 Payment and Reimbursements

The maximum amount of grant funding is \$ 1,500,000.00

- A. Payments may be made upon submission of Grantee Financial Reimbursement Requests indicating grant funds received to date, project expenditures to date (supported with computer printouts of accounts, general ledger sheets, balance sheets, etc.), and objectives completed to date. Backup documentation such as computer printouts of accounts, ledger sheets, check copies, etc. shall be maintained for audit purposes for the full length of the state of Michigan's retention schedule, in order to comply with this Agreement.
- B. The payment of the final grant amount shall be made after completion of the project and after the Grant Administrator has received and approved a final report, if applicable. The final payment is also contingent upon the submission of a final invoice that includes expenditures of grant funds reported by line item and compared to the approved Budget.
- C. Grantee Financial Reimbursements Requests maybe submitted at any time, but no later than 30 days after the grant end date. The Financial Reimbursement Requests must reflect total actual program expenditures, up to the total agreement amount.
- D. The Grantee representative who submits the Financial Reimbursement Request is certifying to the best of their knowledge and belief that the report is true, complete and accurate and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of this Agreement. Costs incurred engaging in lobbying activities, as defined in MCL 4.415(2), are not allowable or reimbursable costs. The individual submitting the FSR should be aware

that any false, fictitious or fraudulent information, or the omission of any material facts, may subject them to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Operational Advance: Operational Advances require prior approval from LEO. Specific Terms of the operational advance are included in Attachment E once approved by LEO.

Public Act 279 of 1984 states that the state shall take all steps necessary to assure that payment for goods or services, is mailed within 45 days after receipt of the goods or services, a complete invoice for goods or services, or a complete contract for goods or services, whichever is later.

F. Reimbursement Mechanism

All Grantees must register using the on-line vendor self-service site to receive all state of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by MCL 18.1283a. Vendor registration information is available through the Department of Technology, Management and Budget's web site: https://www.michigan.gov/sigmayss.

G. Unobligated Funds

Any unobligated balance of funds held by the Grantee at the end of the Agreement period will be returned to the Department within 30 days of the end of the Agreement or treated in accordance with instructions provided by the Department.

H. Indirect Costs

The Grantee may use an approved federal or state indirect rate in their budget calculations and financial status reporting. If the Grantee does not have an existing approved federal or state indirect rate, they may use a 15% de minimis rate in accordance with 2 CFR 200 to recover their indirect costs. Governmental Grantees with an existing cost allocation plan may budget accordingly in lieu of an indirect cost rate. Non-governmental Grantees may use a cost allocation plan only if the plan was in place prior to December 26, 2014.

1.6 Monitoring and Reporting Program Performance

A. Monitoring. The Grantee shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.

- B. Progress Reports. The Grantee shall submit to the Grant Administrator **Quarterly** progress reports by the 15th day of the following month of the quarter's end that briefly present the following information:
- Percent of completion of the project objectives. This should include a brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period.
- 2. Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
- 3. Statement concerning any significant deviation from previously agreed-upon Statement of Work.
- C. A Final Report is required. The Grantee will do the following:
 - 1. Submit the final report no later than 30 days past the close of the grant agreement period for review by the Grant Administrator.
 - 2. The final report will include the following information:
 - a. A summary of the project implementation plan and any deviations from the original project as proposed.
 - b. Accomplishments and problems experienced while carrying out the project activities.
 - c. Coordinated efforts with other organizations to complete the project.
 - d. Impacts, anticipated and unanticipated, experienced as a result of the project implementation.
 - Financial expenditures of grant money and other contributions to the project, in-kind and/or direct funding.
 - f. Any experience in applying the project products and anticipated "next steps".
 - g. Actual Budget expenditures compared to the Budget in this Agreement. Include the basis or reason for any discrepancies.

PART II - GENERAL PROVISIONS

2.1 Project Changes

Grantee must obtain prior written approval for project changes from the Grant Administrator. See Section 1.2, Detailed Budget.

2.2 Delegation

Grantee must notify the State at least 90 calendar days before the proposed delegation, provide a statement ensuring that no conflicts of interest or ethical concerns exist (as described in Section 3.5 - Conflict and Ethics), and provide the State any information it requests to determine whether the delegation is in its best interest.

2.3 Program Income/Interest Income

A. Program Income

Program income includes income from fees for services performed from the use of rental of real or personal property acquired with grant funds, from the sale of commodities or items fabricated under a grant agreement, and from payments of principal and interest on loans made with grant funds. Program income does not include rebates, credits, discounts, refunds, etc., or interest earned on any of these items.

Program income means gross income received, and directly generated by a grant-supported activity, or earned only as a result of the grant agreement during the grant period. "During the grant period" is the time between the effective date of the award and the ending date of the award reflected in the final closeout expenditure report.

All program income must be used prior to the submission of the final closeout report for the Fiscal Year (FY) for which program income was earned.

B. Interest Income

Interest income earned by grantee must be treated as, and included in, the calculation and reporting of program income.

Interest income earned by grantee is not considered program income and must be identified and reported separately.

Remittance of interest income earned in excess of \$500 must be remitted via check made payable to the "State of Michigan," along with a completed remittance submission form (Attachment A) to the following address:

State of Michigan

Department of Labor and Economic Opportunity, Finance PO Box 30823 Lansing, MI 48909

Interest income earned is due no later than the 20th calendar day after the end of the calendar quarter.

2.4 Share-in-savings

The Grantor expects to share in any cost savings realized by the Grantee. Therefore, final Grantee reimbursement will be based on actual expenditures. Exceptions to this requirement must be approved in writing by the Grant Administrator.

2.5 Order of Spending

Unless otherwise required, Grantee shall expend funds in the following order: (1) private or local funds, (2) federal funds, and (3) state funds. Grantee is responsible for securing any required matching funds from sources other than the State.

2.6 Purchase of Equipment

The purchase of equipment not specifically listed in the Budget, Attachment B, must have prior written approval of the Grant Administrator. Equipment is defined as non-expendable personal property having a useful life of more than one year. Such equipment shall be retained by the Grantee unless otherwise specified at the time of approval.

2.7 Accounting

The Grantee shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers, time sheets and invoices. The expenditure of state funds shall be reported by line item and compared to the Budget.

2.8 Records Maintenance, Inspection, Examination, and Audit

The State or its designee may audit Grantee to verify compliance with this Grant. Grantee must retain, and provide to the State or its designee upon request, all financial and accounting records related to the Grant through the term of the Grant and for 7 years after the latter of termination, expiration, or final payment under this Grant or any extension ("Audit Period"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Grantee must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Grantee's premises or any other places where Grant Activities are being performed, and examine, copy, and audit all records related to this Grant. Grantee must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Grant must be paid or refunded within 45 calendar days.

This Section applies to Grantee, any parent, affiliate, or subsidiary organization of Grantee, and any subgrantee that performs Grant Activities in connection with this Grant.

If the Grantee is a governmental or non-profit organization and expends the minimum level specified in OMB Uniform Guidance (\$750,000 as of December 26, 2013) or more in total federal funds in its fiscal year, then Grantee is required to submit an Audit Report to the Federal Audit Clearinghouse (FAC) as required in 200.36.

2.9 Competitive Bidding

The Grantee agrees that all procurement transactions involving the use of state funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Grantee agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

3.0 Liability

The State is not liable for any costs incurred by the Grantee before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

3.1 Intellectual Property

Unless otherwise required by law, all intellectual property developed using funds from this Agreement, including copyright, patent, trademark and trade secret, shall belong to the Grantee.

3.2 Safety

The Grantee, and all subgrantees are responsible for insuring that all precautions are exercised at all times for the protection of persons and property. Safety provisions of all Applicable Laws and building and construction codes shall be observed. The Grantee, and every subgrantee are responsible for compliance with all federal, state and local laws and regulations in any manner affecting the work or performance of this Agreement and shall at all times carefully observe and comply with all rules, ordinances, and

regulations. The Grantee, and all subgrantees shall secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of this Agreement.

3.3 General Indemnification

Grantee must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Grantee (or any of Grantee's employees, agents, subgrantees, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Grant; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Grantee (or any of Grantee's employees, agents, subgrantees, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Grantee (or any of Grantee's employees, agents, subgrantees, or by anyone else for whose acts any of them may be liable).

The State will notify Grantee in writing if indemnification is sought; however, failure to do so will not relieve Grantee, except to the extent that Grantee is materially prejudiced. Grantee must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Grantee will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

3.4 Termination

A. Termination for Cause

The State may terminate this Grant for cause, in whole or in part, if Grantee, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being

material breaches within this Grant will not be construed to mean that other breaches are not material.

If the State terminates this Grant under this Section, the State will issue a termination notice specifying whether Grantee must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Grantee was not in breach of the Grant, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Subsection B, Termination for Convenience.

The State will only pay for amounts due to Grantee for Grant Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Grantee for the State's reasonable costs in terminating this Grant. The Grantee must pay all reasonable costs incurred by the State in terminating this Grant for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Grant Activities from other sources.

B. Termination for Convenience

The State may immediately terminate this Grant in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. If the State terminates this Grant for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Grant Responsibilities.

i. By either party by giving 30 days written notice to the other party stating the reasons for termination and the effective date.

C. Stop Work Order

The Department may suspend any or all activities under this Agreement at any time. The Department will provide the Grantee with a written stop work order detailing the suspension. Grantee must comply with the stop work order upon receipt. The Department will not pay for activities, Grantee's incurred expenses or financial losses, or any additional compensation during a stop work period.

3.5 Conflicts and Ethics

Grantee will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Grant; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Grant; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Grantee, any consideration contingent upon the award of the Grant. Grantee must immediately notify the State of any violation or potential violation of these standards. This Section applies to Grantee, any parent, affiliate, or subsidiary organization of Grantee, and any subgrantee that performs Grant Activities in connection with this Grant.

3.6 Non-Discrimination

Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., Grantee and its subgrantees agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, sexual orientation, gender identity or expression, height, weight, marital status, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of the Grant Agreement.

3.7 Unfair Labor Practices

Under MCL 423.324, the State may void any Grant with a Grantee or subgrantee who appears on the Unfair Labor Practice register compiled under MCL 423.322.

3.8 Force Majeure

Neither party will be in breach of this Grant because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Grantee will not be relieved of a breach or delay caused by its subgrantees. If immediate performance is necessary to ensure public health and safety, the State may immediately Grant with a third party.

3.9 Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the Grant or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.

4.0 Website Incorporation

The State is not bound by any content on Grantee's website unless expressly incorporated directly into this Grant.

4.1 Certification Regarding Debarment

The Grantee certifies, by signature to this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal or State department or agency. If the Grantee is unable to certify to any portion of this statement, the Grantee shall attach an explanation to this Agreement.

4.2 Illegal Influence

The Grantee certifies, to the best of his or her knowledge and belief that:

- A. No federal appropriated funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The Grantee shall require that the language of this certification be included in the award documents for all grants or subcontracts and that all subrecipients shall certify and disclose accordingly.

The State has relied upon this certification as a material representation. Submission of this certification is a prerequisite for entering into this Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Grantee certifies, to the best of his or her knowledge and belief that no state funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for

influencing or attempting to influence an officer or employee of any State agency, a member of the Legislature, or an employee of a member of the Legislature in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state contract, grant, loan or cooperative agreement.

4.3 Governing Law

This Grant is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Grant are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Grant must be resolved in Michigan Court of Claims. Grantee consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or forum non conveniens. Grantee must appoint agents in Michigan to receive service of process.

4.4 Compliance with Laws

Grantee must comply with all federal, state and local laws, rules and regulations.

4.5 Disclosure of Litigation, or Other Proceeding

Grantee must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") involving Grantee, a subgrantee, or an officer or director of Grantee or subgrantee, that arises during the term of the Grant, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Grantee's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Grantee is required to possess in order to perform under this Grant.

4.6 Assignment

Grantee may not assign this Grant to any other party without the prior approval of the State. Upon notice to Grantee, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Grant to any other party. If the State determines that a novation of the Grant to a third party is necessary, Grantee will agree to the novation, provide all necessary documentation and signatures, and continue to perform, with the third party, its obligations under the Grant.

4.7 Entire Grant and Modification

This Grant is the entire agreement and replaces all previous agreements between the parties for the Grant Activities. This Grant may not be amended except by signed agreement between the parties.

4.8 Grantee Relationship

Grantee assumes all rights, obligations and liabilities set forth in this Grant. Grantee, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Grant. Grantee, and not the State, is responsible for the payment of wages, benefits and taxes of Grantee's employees and any subgrantees. Prior performance does not modify Grantee's status as an independent Grantee.

4.9 Dispute Resolution

The parties will endeavor to resolve any Grant dispute in accordance with this provision. The dispute will be referred to the parties' respective Grant Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Grant.

5.0 Severability

If any part of this Grant is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Grant and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Grant will continue in full force and effect.

5.1 Waiver

Failure to enforce any provision of this Grant will not constitute a waiver.

5.2 Signatories

The signatories warrant that they are empowered to enter into this Agreement and agree to be bound by it.

E-SIGNED by Gregory Rivet
on 2025-03-07 19:05:12 EST

Greg Rivet
Chief Administrative Officer
Department of Labor and Economic Opportunity
State of Michigan

E-SIGNED by Andrew Appleby
on 2025-03-07 12:03:17 EST

Authorized Official Signature

Andrew Appleby

Authorized Official Name

GRANT NO. JJFIELD25

GS Entertainment LLC

Special Grant Application Form

Official Grantee:	GS Entertainment LLC	
Grantee Full Addre	ess: 7171 Auburn Road, Ut	ica, MI 48317
Grantee Primary C	Contact: Andrew D. Appleb	У
Phone: 248-601-2	2400	Email: aappleby@generalsports.com
Legislative Sponsor(s): Senator Webber Appropriated Amount: \$1,500,000.00		
Senator Webber	Senator Webber	

Questions for Legislative Sponsor

1. Is the legislative sponsor and/or any family members of the legislative sponsor associated with this organization? (Ex: board member, employee, financial donor, etc.) N_0	
If so, please explain:	
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	1
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2. Does this grant comply with the provisions of Article IV, §10 of the Michigan Constitution and PA 318 of 1968, MCL 15.301 to 15.310? γ_{es}

Questions for Official Grantee

- 1. Is the grantee a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, or other state department? N_0
- 2. If no, is the entity registered with the department of licensing and regulatory affairs or the department of attorney general and been in existence for at least the 12 months preceding the effective date of this act?*
- 3. If the answers to #1 and #2 are no, does the grantee have other state or federal tax filings or other government records that demonstrate the grantee has been in existence for at least the 12 months preceding the effective date of this act?

 N/A

 If yes, please attach any relevant records.
- 4. Please describe the public purpose of the project, demonstrating it is consistent with language authorizing grant in PA 121 of 2024. Please provide additional explanation that gives more detail than is currently contained in the boilerplate language.

The purpose of the project is to conduct capital and security improvements to the minor league baseball stadium located at 7171 Auburn Road, Utica Michigan 48317 that will help to maintain the facility as a major community asset site for affordable family entertainment as well as local youth and high school baseball, graduation ceremonies, use as a site for non-profit fundraisers such as charity walks and 5k races, etc. in Macomb County, with the improvements to include: Construction Improvements: construction and installation of a sustainable synthetic turf athletic field surface; Equipment Improvements: addition of new security equipment including metal detectors, an upgraded security camera system, and an upgraded access control system to access the facility; Building Maintenance & Repair: maintenance and repair to include repair to

^{*}Grantees can check registration with LARA here and with AG here.

- 5. Fill out the anticipated dollar amount for each respective category of the budget, using the excel budget form provided. Please note the general administrative expense cannot exceed 10% of the grant amount.
- 6. Anticipated time-frame for each cost identified in the budget (this will reflect the period of the grant).

Building Maintenance and Repair - January 2025 to September 2025 Equipment - January 2025 to September 2025 Construction - September 2025 to May 2026

7. I acknowledge that the boilerplate language related to this grant has been read and confirm that all requirements for the grantee and project comply with the boilerplate language pertaining to this grant. (Sign to acknowledge)



- 8. I acknowledge that I will be required to submit progress reports and a final report including:
 - i. A summary of the Grant Activities performed over the period determined by the department;
 - ii. An accounting of Grantee's actual expenditure of all funds on the Project over the period determined by the department, including the breakdown of Grantee's actual use of Grant funds on the Project within each applicable category of the Budget, and corresponding copies of supporting documentation of such expenditures, such as receipts, general ledgers, or other evidence of expenditure activity statements; the Grantee's estimated percentage of completion of the Project; and
 - iii. Any other information deemed relevant by Grantee to support the Grant Activities actually performed.
- 9. Identify authorized signer(s) for Grant Agreement.

Andrew D. Appleby	y		

10. Please be advised any portion of the grant funds paid to grantee and not spent or not spent in accordance with the grant agreement must be returned to the department.

NOTICE:

This Grant Application Form is not a legally binding agreement and should not be viewed as such. Moreover, the Grant Application Form does not embody all of the terms and conditions of the grant agreement and neither the department nor the grantee will be bound until there is an executed grant agreement that sets forth all the terms and conditions.



MICHAEL WEBBER

9TH DISTRICT
P.O. BOX 30036

LANSING, MI 48909-7536

PHONE: (517) 373-0994

FAX. (517) 373-5981

senmwøbber@senate.michigan.gov

THE SENATE STATE OF MICHIGAN

COMMITTEES:
HEALTH POLICY,
MINORITY VICE CHAIR
ECONOMIC AND
COMMUNITY DEVELOPMENT
REGULATORY AFFAIRS

December 3, 2024

Jennifer L. Flood State Budget Director 111 South Capitol Avenue Lansing, MI 48910 Director Susan Corbin Department of Labor and Economic Opportunity 105 West Allegan Street Lansing, MI 48933

Dear Directors:

SUBJECT: Legislative Sponsorship of Public Act 121 of 2024 Grant

In accordance with Public Act 121 of 2024, Article 9, Section 1050c(6), I am pleased to sponsor the grant identified below and I certify that this grant is for a public purpose.

The following information summarizes the grant I am sponsoring:

GRANT SUMMARY

Grant Recipient: GS Entertainment LLC

Grant Amount: \$1,500,000.00

Boilerplate Section: Authorizing

Grant

Article 9, Sec. 1050c(6)

Boilerplate Language: (6) From the funds appropriated in part 1 for community enhancement grants, \$1,500,000.00 shall

be awarded to support capital and security improvements to a ballpark located in a city with a population between 5,000 and 5,500 in a county with a population between 800,000 and 900,000

according to the most recent federal decennial census.

Public Purpose: The purpose of the project is to conduct capital and security improvements to the minor league

baseball stadium located at 7171 Auburn Road, Utica Michigan 48317 that will help to maintain the facility as a major community asset site for affordable family entertainment as well as local youth and high school baseball, graduation ceremonies, use as a site for non-profit fundraisers such as charity walks and 5k races, etc. in Macomb County, with the improvements to include: Construction Improvements: construction and installation of a sustainable synthetic turf athletic field surface; Equipment Improvements: addition of new security equipment including metal detectors, an upgraded security camera system, and an upgraded access control system to access the facility; Building Maintenance & Repair: maintenance and repair to include repair to LED ad panels, repair

to seating bowl seats, repair to concrete and masonry, paint repair work.

Please see the attachments for the completed grant application form and grant project budget which provide additional detail and contact information for the grant recipient. My office is available for questions should they arise.

Sincerely,

Michael Webber State Senator 9th District



Special Grant Project Budget

Please enter the major cost elements of the project, selecting from the drop down list options. If you select an activity with a ":" please add a few additional words of description in the "Other/Additional Notes" column. You will be asked to report based on these budget categories. It is recommended that the budget have between 2-5 line items. Keeping the budget at a fairly high-level minimizes the need to amend the budget if the project costs deviate slightly from the plan. The "Local" and "Other" columns are optional. Six line items is the maximum allowed.

		2. Project Title - Jimmy John's Field	d Ballpark Capital and Sec	curity Improvements	
		4. Funding Sources			
Activities	Other/Additional Notes	Michigan Enhancement Grant	Local Funding	Other Funding	Total
Building Repair & Maintenance	Playing Field Repair, Repair to Seating Bowl Seats, Concrete and Masonry Repair, Paint Repair	\$ 130,500.00			\$ 130,500.00
Construction:	Synthetic Turf Construction and Installation Security Upgrades (Metal	\$ 1,300,000.00		\$ 200,000.00	,
Equipment:	Detectors, Upgraded Security Camera System, New Access Control System)	\$ 69,500.00 \$ -			\$ 59,500.00
	Total	\$ 1,500,000.00 \$	\$ -	\$ 200,000.00	\$ 1,700,000.0

Document received by the MI Court of Claims.

Water & Sewer Infrastructure

Trail Infrastructure

Road Infrastructure

Sidewalk & Parking Infrastructure

Park/Playground Improvements

Architecture

Engineering

Building Repair & Maintenance

Infrastructure Hard Costs (Materials)

Construction:

Construction Contingency

Environmental

Supplies:

Equipment:

Printing

Marketing

Sub-Grants/Scholarships

Training

Occupancy Costs

Health Center/Clinic Operations

Consultants/Outside Contractors

IT Costs

Medical Equipment

General Admin Costs Necessary to Implement the Project (staff costs, etc.):

Additional General Admin (10% Max)

Other:

Program Specific Requirements

Additional Reporting Requirements:

A. The Grantee must submit the following reports on the following dates:

Financial Status Report: For all payment requests, please send to <u>LEO-GRANTS@michigan.gov</u> with "Payment Request" in the subject line. Reimbursement requests can be made at any time.

Any other reports requested by LEO

Quarterly Progress Report: Quarterly. Due 15 days after the quarter ends. Quarter is based on the State's Fiscal Year.

October-December due January 15

January-March due April 15

April - June due July 15

July-September due October 15

- B. Reports and information must be submitted to the Program Manager The email address is: LEO-GRANTS@michigan.gov
- C. Any such other information as specified in the Statement of Work, Attachment A must be developed and submitted by the Grantee as required by the Program Manager.
- D. The Grantee must permit the Department or its designee to visit and to make an evaluation of the project as determined by Program Manager

Other Program Requirements:

Ineligible expenses include, but not limited to:

- Lobbying / Political Activities
- Court fees/costs
- Contributions and donations
- Fines and penalties
- Legislative expenses
- Entertainment expenses

Attachment E

- Fundraising cost associated with hosting fundraising events
- · Cash reserves and endowment contributions
- Any other expenses determined not eligible by LEO

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET, VEHICLE AND TRAVEL SERVICES SCHEDULE OF TRAVEL RATES FOR CLASSIFIED AND UNCLASSIFIED EMPLOYEES FY 2025 – Effective October 1, 2024

MICHIGAN SELECT CITIES*

	Individual	Group Meeting (pre-arranged and approved)
Lodging**	\$98.00	,
Breakfast	\$11.75	\$14.75
Lunch	\$11.75	\$14.75
Dinner	\$28.00	\$31.00

MICHIGAN IN-STATE ALL OTHER

	Individual	Group Meeting (pre-arranged and approved)
Lodging**	\$98.00	
Breakfast	\$9.75	\$12.75
Lunch	\$9.75	\$12.75
Dinner	\$22.00	\$25.00
Lodging	\$66.00	
Breakfast	\$9.75	
Lunch	\$9.75	
Dinner	\$22.00	
Per Diem Total	\$107.50	

OUT-OF-STATE SELECT CITIES*

	Individual	Group Meeting (pre-arranged and approved)
Lodging**	Contact Conlin Travel	
Breakfast	\$15.00	\$18,00
Lunch	\$15.00	\$18.00
Dinner	\$29.00	\$32.00

OUT-OF-STATE ALL OTHER

	Individual	Group Meeting (pre-arranged and approved)
Lodging**	Contact Conlin Travel	
Breakfast	\$11.75	\$14.75
Lunch	\$11.75	\$14.75
Dinner	\$27.00	\$30.00
Lodging	\$66.00	
Breakfast	\$11.75	
Lunch	\$11.75	
Dinner	\$27.00	
Per Diem Total	\$104.75	-

Incidental Costs Per Day (with overnight stay) \$5.00

Mileage RatesCurrentPremium Rate\$0.67 per mileStandard Rate\$0.440 per mile

^{*} See Select Cities Listing

^{**} Lodging available at State rate, or call Conlin Travel at 877-654-2179 or www.conlintravelhub.com/som

SELECT CITY LIST SCHEDULE OF TRAVEL RATES FOR CLASSIFIED AND UNCLASSIFIED EMPLOYEES Effective October 1, 2024

	CITIES	COUNTIES
	Ann Arbor, Auburn Hills, Beaver Island, Detroit, Grand Rapids, Holland, Leland, Mackinac Island, Midland, Muskegon, Petoskey, Pontiac, South Haven, Traverse City	Grand Traverse, Oakland, Wayne
Out of State Select	Cities/Counties	
STATE	CITIES	COUNTIES
Alaska	All locations	
Arizona	Phoenix, Scottsdale, Sedona	
California	Arcata, Edwards AFB, Eureka, Los Angeles, Mammoth Lakes, McKinleyville, Mill Valley, Monterey, Novato, Palm Springs, San Diego, San Francisco, San Rafael, Santa Barbara, Santa Monica, South Lake Tahoe, Truckee, Yosemite National Park	Los Angeles, Mendocino, Orange, Ventura
Colorado	Aspen, Breckenridge, Grand Lake, Silverthorne, Steamboat Springs, Telluride, Vail	
Connecticut	Bridgeport, Danbury	
District of Columbia	Washington DC (See also Maryland & Virginia)	
Florida	Boca Raton, Delray Beach, Ft Lauderdale, Jupiter, Key West, Miami	
Georgia	Brunswick, Jekyll Island	
Hawaii	All locations	
ldaho	Ketchum, Sun Valley	
Illinois	Chicago	Cook, Lake
Kentucky	Kenton	
Louisiana	New Orleans	
Maine	Bar Harbor, Kennebunk, Kittery, Rockport, Sandford	
Maryland	Baltimore City, Ocean City	Montgomery, Prince George
Massachusetts	Boston, Burlington, Cambridge, Martha's Vineyard, Woburn	Suffolk
Minnesota	Duluth, Minneapolis, St. Paul	Hennepin, Ramsey
Nevada	Las Vegas	
New Mexico	Santa Fe	
New York	Bronx, Brooklyn, Lake Placid, Manhattan, Melville, New Rochelle, Queens, Riverhead, Ronkonkoma, Staten Island, Tarrytown, White Plaines	Suffolk
Ohio	Cincinnati	
Pennsylvania	Pittsburgh	Bucks
Puerto Rico	All locations	
Rhode Island	Bristol, Jamestown, Middletown, Newport, Providence	Newport
Texas	Austin, Dallas, Houston, L.B. Johnson Space Center	
Utah	Park City	Summit
Vermont	Manchester, Montpelier, Stowe	Lamoille
Virginia	Alexandria, Fairfax, Falls Church	Arlington, Fairfax
Washington	Port Angeles, Port Townsend, Seattle	
Wyoming	Jackson, Pinedale	

Document received by the MI Court of Claims.

EXHIBIT C

From: McGaughey, Libby (DTMB)

To: JFedewa; Andy Solon; Lori Dey; Kristiane James
Cc: Kathleen Farhat; Shaquila Myers; Guerrant, Kyle (DTMB)
Subject: FY25 Special Grant Documents and Information Session

Date: Thursday, August 15, 2024 11:28:09 AM

Attachments: FY25 Legislative Sponsor Template Letter FINAL.docx

FY25 Special Grant Application Form and Key Info FINAL.pdf

FY25 Special Grant Project Budget FINAL.xlsx

image001.png

Importance: High

Hello all,

Attached you will find the FY25 Special Grant Packet. Included are the required forms for all Special Grants included in the FY25 Budget. <u>Please share with all impacted offices in your caucus</u>.

Special Grant Process

The steps below provide a high-level description of the special grant process:

- Legislative offices will complete the legislative sponsorship letter and work with grantees to complete the grant application and budget form. Once the packet is complete, the forms will be returned to SBO (<u>DTMB-SBOGrantForms@michigan gov</u>).
 Forms must be completed, and legislative sponsors identified by <u>December 13</u>, 2024, per boilerplate.
- 2. Once departments receive the forms from SBO, departments will need to review the materials. Per boilerplate, once the forms are submitted, the department has 45 business days to respond as to whether materials are sufficient or if additional information is needed.
- 3. Once the department has received completed materials, the department will communicate directly with the grantee and initiate its standard grant making process.
- 4. Transparency boilerplate applies to both FY25 special grants and grants included in the FY24 supplemental portion of the FY25 budget. The FY25 forms can be used for all.
- 5. Please also note that in addition to the Legislative Sponsor Letter, updated transparency boilerplate dictates that departments post a report of all special grants on an ongoing basis starting on March 15, 2025.

Attachments

- FY25 Special Grant Application Form and Key Information
- FY25 Special Grant Budget Form
- FY25 Legislative Sponsor Template Letter

<u>Information Sessions</u>

Members and staff can feel free to reach out to me with questions. In addition, SBO will host informational sessions for legislators and legislative staff in the coming weeks, the first on Thursday, August 22nd at 10am. These will provide an opportunity to briefly walk through the required documents, highlight the changes from previous years and answer questions. A Teams invite will follow that can be shared.

Please let me know if you have any questions!

Libby

Libby McGaughey (she/her)
Director of Legislative and External Affairs
State Budget Office
517-582-2998 (cell)

INCLUDE LETTER ON LEGISLATIVE SPONSOR'S OFFICIAL LETTERHEAD

September XX, 2024

Dear Directors:

SUBJECT: Legislative Sponsorship of Public Act 121 of 2024 Grant

In accordance with Public Act 121 of 2024, Article X, Section XXX, I am pleased to sponsor the grant identified below and I certify that this grant is for a public purpose.

The following information summarizes the grant I am sponsoring:

GRANT SUMMARY

Grant Recipient: [Insert Name of Recipient]

Grant Amount: [Insert Dollar Amount \$XXX,XXX]

Boilerplate Section: Article XX, Sec. XXXX(X)

Authorizing Grant

Boilerplate Language: (X) From the funds appropriated in part 1 for Michigan

enhancement grants, the department shall allocate \$X00,000.00 to a XXXXXXXXX program that is headquartered in a county with a population between X,000,000 and X,000,000 according to the

most recent federal decennial census.

Public Purpose: Insert Brief Explanation

Please see attachments for completed grant application form and grant project budget which provide additional detail and contact information for the grant recipient. My office is available for questions should they arise.

Sincerely,

Senator/Representative

Attachment

Key Information for Grantees

PA 121 of 2024, the FY25 Michigan budget and FY24 supplemental, includes funding for special grants intended for a single recipient. The budget includes language (called boilerplate) that provides a description of the project as well as certain requirements that all projects must comply with. Boilerplate language is binding and all projects must comply with the rules and regulations contained in the language.

You can find the budget bill <u>here</u>. Transparency boilerplate was included in all department budgets and the FY24 supplemental.

Important information to note:

- The attached application will be used to develop and execute a grant agreement between each grantee and the relevant department. Grantees should work with their Legislative Sponsor to return the following application form to the State Budget Office.
- All applications must be submitted and legislative sponsors identified no later than December 13, 2024 pursuant to boilerplate.
- Eligible grantees include: units of local government, public authorities or other political instrumentalities, institutions of higher education, other state departments, entities registered with the department of licensing and regulatory affairs (LARA) or the department of attorney general (AG) that have been in existence for at least 12 months, or other entities that can demonstrate through tax filings or government records that they have been in existence for at least 12 months.
 - To check registration with LARA, check <u>here</u>: https://cofs.lara.state.mi.us/SearchApi/Search/Search
 - To check registration with AG, check <u>here</u>: https://www.ag.state.mi.us/CharitableTrust/frmDisclaimer.aspx
- Please ensure primary grant contact on the application is the fiduciary contact for the project.
- If the attached application is incomplete or missing information, grant processing may be delayed.
- To receive funds, all organizations must be registered in the State of Michigan SIGMA Vendor Self-Service (VSS) System. More information about registering for VSS can be found here.
- Within 60 days of an executed grant agreement, an initial disbursement of up to 50% will be provided to the grantee. Please note, a 50% initial payment is not guaranteed nor required, and any advanced payments may be subject to additional approvals from the Office of Financial Management pursuant to the Financial Management Guide of the State of Michigan. (Defined terms and conditions are included in the grant agreement).

- After the initial disbursement, additional funds will be disbursed on a reimbursement basis after verification that previous funds were expended in accordance with the project purpose.
- There is no requirement to have match funds for the grant.
- The grant cannot be increased or deviated from the boilerplate language.
- Grant funds can only be used for expenditures that occur on or after the effective date of the appropriations act unless otherwise specified in department policy.
- Any interest over \$1,000 earned on grant funds, while in the possession of the grantee, must be returned to the State of Michigan.
- Any questions that arise prior to submitting a grant application should be directed to the Grantee's Legislative Sponsor.
- Any questions that arise after submitting a grant application should be directed to the department.
- For timing and next steps, please review the attached process document.

Completed application materials can be submitted to:

DTMB-SBOGrantForms@michigan.gov

Special Grant Process

This process flow is a general guideline; some projects will differ. Please feel free to contact us at any time if you have questions or concerns related to the process or the specifics of your grant.

Appropriations Bill Signed.

Special Grant application packet from SBO distributed to Legislative Offices.

•Legislative Offices complete legislative sponsorship letter and work with grantee to complete grant application and budget. Forms are returned to SBO and the department no later than December 13, 2024.

•SBO distributes completed packets to the department. Department reviews materials submitted by legislative sponsor/grantee and has 45 days to respond as to whether materials are sufficient or if additional information is needed.

•Once department has received completed materials from grantee/sponsor, department drafts grant agreement.

Grantee returns signed grant agreement

•Department countersigns grant agreement and sends out copies.

The purchasing document will be finalized

•Prior to this step the Grantee must be registered to receive EFT payments through VSS. No payments can be made without this step being completed.

Grant funds disbursed

•Initial grant funds will be disbursed according to the executed grant agreement and after completed vendor registration.

Reporting

•Reporting must be submitted to the department and the legislative sponsor in a manner determined by the department.

•Instructions will be sent out.

• A final report is due upon project completion or the end of the grant term.

Grant fully expended

 An acknowledgement email will be sent once all funds have been expended and all documentation has been reviewed and approved.

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Special Grant Application Form

Official Grantee:
Grantee Full Address:
Grantee Primary Contact:
Phone: Email:
Legislative Sponsor(s): Appropriated Amount:
Questions for Legislative Sponsor
1. Is the legislative sponsor and/or any family members of the legislative sponsor associated with this organization? (Ex: board member, employee, financial donor, etc.) N_0
If so, please explain:
2. Does this grant comply with the provisions of Article IV, § 10 of the Michigan Constitution
and PA 318 of 1968, MCL 15.301 to 15.310? Yes
Questions for Official Grantee
 Is the grantee a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, or other state department? Yes
2. If no, is the entity registered with the department of licensing and regulatory affairs or the department of attorney general and been in existence for at least the 12 months preceding the effective date of this act?* N/A
3. If the answers to #1 and #2 are no, does the grantee have other state or federal tax filing or other government records that demonstrate the grantee has been in existence for at leas the 12 months preceding the effective date of this act? N/A If yes, please attach any relevant records.
4. Please describe the public purpose of the project, demonstrating it is consistent with language authorizing grant in PA 121 of 2024. Please provide additional explanation that gives more detail than is currently contained in the boilerplate language.

^{*}Grantees can check registration with LARA here and with AG here.

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6. Anticipated time-frame for each cost identified in the budget (this will reflect the period of the grant).	
7. I acknowledge that the boilerplate language related to this grant has been read and confit that all requirements for the grantee and project comply with the boilerplate language pertain to this grant. (Sign to acknowledge)	
8. I acknowledge that I will be required to submit progress reports and a final report including:	
 i. A summary of the Grant Activities performed over the period determined by the department; 	
ii. An accounting of Grantee's actual expenditure of all funds on the Project over the pedetermined by the department, including the breakdown of Grantee's actual use of Grant funds on the Project within each applicable category of the Budget, and corresponding copies of supporting documentation of such expenditures, such as receipts, general ledgers, or other evidence of expenditure activity statements; the Grantee's estimated percentage of completion of the Project; and	riod
iii. Any other information deemed relevant by Grantee to support the Grant Activities actually performed.	ims.
9. Identify authorized signer(s) for Grant Agreement.	f Cle
	Court of Claims.
10. Please be advised any portion of the grant funds paid to grantee and not spent or not spent in accordance with the grant agreement must be returned to the department. NOTICE: This Grant Application Form is not a legally binding agreement and should not be viewed as such. Moreover, the Grant Application Form does not embody all of the terms and conditions of the grant agreement and neither the department nor the grantee will be bound until there is an	y the MI
NOTICE: This Grant Application Form is not a legally binding agreement and should not be viewed as such. Moreover, the Grant Application Form does not embody all of the terms and conditions at the grant agreement and neither the department nor the grantee will be bound until there is a	erved b

executed grant agreement that sets forth all the terms and conditions.

5. Fill out the anticipated dollar amount for each respective category of the budget, using the excel budget form provided. Please note the general administrative expense cannot

exceed 10% of the grant amount.

Special Grant Project Budget

Please enter the major cost elements of the project, selecting from the drop down list options. If you select an activity with a ":" please add a few additional words of description in the "Other/Additional Notes" column. You will be asked to report based on these budget categories. It is recommended that the budget have between 2-5 line items. Keeping the budget at a fairly high-level minimizes the need to amend the budget if the project costs deviate slightly from the plan. The "Local" and "Other" columns are optional. Six line items is the maximum allowed.

1.	Grantee:	2. Project Title				
3.	Project Cost Elements	4. Funding Sources				
	Activities	Other/Additional Notes	Michigan Enhancement Grant	Local Funding	Other Funding	Total
		Total	\$ -	\$ -	\$ -	\$ -

Water & Sewer Infrastructure

Trail Infrastructure

Road Infrastructure

Sidewalk & Parking Infrastructure

Park/Playground Improvements

Architecture

Engineering

Building Repair & Maintenance

Infrastructure Hard Costs (Materials)

Construction:

Construction Contingency

Environmental

Supplies:

Equipment:

Printing

Marketing

Sub-Grants/Scholarships

Training

Occupancy Costs

Health Center/Clinic Operations

Consultants/Outside Contractors

IT Costs

Medical Equipment

General Admin Costs Necessary to Implement the Project (staff costs, etc.):

Additional General Admin (10% Max)

Other:

EXHIBIT D

Instructions for Grantees:

- I. Use this form to request funds for your LEO/FY25 grant.

 2.Make additional copies of this form and keep in your grant file for use throughout the year.

 3.To request payment, complete this document in full and attach backup documentation to the payment request email.
- 4.For further information, contact LEO-GRANTS@michigan.gov

	Program Identification	Request for Fund	is Information
Agency Name	Michigan Department of Labor & Economic Opportunity	1.Approved Grant Amount	\$1,500,000.00
Current Reporting Period by Month(s)	Quarter 2 - January - March	2.Cumulative Previous Requests	\$0.00
Grant Identifier (GG#)	25*2167	3.Available Balance	\$1,500,000.00
	request for funds reflects proper charges to the identified grant and that s are not in excess of actual cash needs to meet anticipated expenditures.	4.Current Request	\$8,215.00
Prepared by Dana Schmitt	E-mail Address of Preparer	dschmitt@uspbl.com	(Area Code) Telephone # (248) 227-0131
Date 3/26/2025	Authorized Signature Name Andrew	Title Appleby Manager	(Area Code) Telephone # (248) 601-2400 ext 100

Invoices for Services/Financial Status Report

- Instructions for Grantees:

 1. Current Period, Enter the current period requested expenses by category.

 2. Expended YTD, enter the amounts, by category, that have been expended previously.

 3. Total Contract Budget, enter the budget amount per category from your budget that is listed in the agree

	Expended			Budget		
Category	Current Period	Expended YTD	T	otal Contract Budget		Remaining Contract
viale ix dewel					S	
Trail Infrastructure					S	
Road Infrastructure					\$	
Párko/Taylyrounu			-		S	
Architecture					\$	
Engineering					\$	
Building Repair &			\$	130,500.00	\$	130,500.00
Infrastructure Hard Costs					\$	
Construction:			\$	1,300,000.00	\$	1,300,000.00
Construction Contingency					\$	
Environmental					\$	
Supplies:					\$	
Equipment:	\$ 8,215.00		\$	69,500.00	\$	61,285.00
Printing					\$	-
Marketing					\$	
Sub-Grants/Scholarships					\$	
Training					\$	
Occupancy Costs					\$	
Health Center/Clinic					\$	-
Consultants/Outside					\$	-
IT Costs					\$	
Medical Equipment					\$	
General Admin Costs					\$	
Other:			-		\$	
Total Direct Expenses:	\$ 8,215.00	\$	- \$	1,500,000.00		1.491.785.00
Additional General Admin						
11.Total Expenditures	\$ 8,215.00	\$	- \$	1,500,000.00	\$	1,491,785.00

Email Form to: LEO-GRANTS@michigan.gov



- Instructions for Grantees:

 1. Use this form to request funds for your LEO/FY25 grant.

 2. Make additional copies of this form and keep in your grant file for use throughout the year.

 3. To request payment, complete this document in full and attach backup documentation to the payment request email.

 4. For further information, contact LEO-GRANTS@michigan.gov

	Program Identification		Request for Fund	Is Information
Agency Name	Michigan Department of Labor & Economic	C Opportunity	1.Approved Grant Amount	\$1,500,000.00
Current Reporting Period by Month(s)	Quarter 3 - April - June		2.Cumulative Previous Requests	\$8,215.00
Grant Identifier (GG#)	25*2167		3.Available Balance	\$1,491,785.00
	request for funds reflects proper charges to s are not in excess of actual cash needs to i		4.Current Request	\$15,231.50
Prepared by Dana Schmitt	E-mail Addres	s of Preparer	dschmitt@uspbl.com	(Area Code) Telephone # (248) 227-0131
Date 4/25/2025	Authorized Signature	Name Andrew Apple	Title by Manager	(Area Code) Telephone # (248) 601-2400 ext 100

Invoices for Services/Financial Status Report

- Instructions for Grantees:

 1. Current Period, Enter the current period requested expenses by category.

 2. Expended YTD, enter the amounts, by category, that have been expended previously.

 3. Total Contract Budget, enter the budget amount per category from your budget that is listed in the agreement.

 Expended

	Expend	led	Budget		
Category	Current Period	Expended YTD	Total Contract Budget	Remaining Contrac	
rvatel a Senei				\$	
Trail Infrastructure				\$	
Road Infrastructure				\$	
Sidewalk or Farking				\$	
ránki haylyi Uunu				\$	
Architecture				\$	
Engineering				\$	
Building Repair &					
Maintenance	\$ 15,231.50		\$ 130,500.00	\$ 115,268.50	
Infrastructure Hard Costs				\$	
Construction:			\$ 1,300,000.00	\$ 1,300,000.00	
Construction Contingency				\$	
Environmental				\$	
Supplies:				\$	
Equipment:	\$ -	\$ 8,215.00	\$ 69,500.00	\$ 61,285.0	
Printing				\$	
Marketing				\$	
Sub-Grants/Scholarships				S	
Training				\$	
Occupancy Costs				S	
Health Center/Clinic				S	
Consultants/Outside				S	
IT Costs				S	
Medical Equipment				S	
General Admin Costs				S	
Other:				S	
Total Direct Expenses:	\$ 15,231.50	\$ 8,215.00	\$ 1,500,000.00	1.476.553.50	
Additional General Admin					
11.Total Expenditures	\$ 15,231.50	\$ 8,215.00	\$ 1,500,000.00	\$ 1,476,553.5	

Email Form to: LEO-GRANTS@michigan.gov



- Instructions for Grantees:

 1.Use this form to request funds for your LEO/FY25 grant.

 2.Make additional copies of this form and keep in your grant file for use throughout the year.

 3.To request payment, complete this document in full and attach backup documentation to the payment request email.
- 4.For further Information, contact LEO-GRANTS@michigan.gov

	Program lo	dentification	Request for Fund	s Information
Agency Name	GS Entertainment LLC		1.Approved Grant Amount	\$1,500,000.00
Current Reporting Period by Month(s)	Quarter 3 - April - June		2.Cumulative Previous Requests	\$23,446.50
Grant Identifier (GG#)	25*2167		3.Available Balance	\$1,476,553.50
		proper charges to the identified grant and that all cash needs to meet anticipated expenditures.	4.Current Request	\$60,376.90
Prepared by Dana Schmitt	6 1	E-mail Address of Preparer	dschmitt@uspbl.com	(Area Code) Telephone # (248) 227-0131
Date 5/23/2025	Authorized Signature	Name Andrew Ap	Title pleby Manager	(Area Code) Telephone # (248) 601-2400 ext 100

Instructions for Grantees:

1. Current Period, Enter the current period requested expenses by category.

2. Expended YTD, enter the amounts, by category, that have been expended previously.

3. Total Contract Budget, enter the budget amount per category from your budget that is listed in the agror

	Expended			Budget			
Category	Current Period	Expended YTD		Total Contract Budget		Remaining Contract	
vvalel & Sewel				-	S		
Trail Infrastructure				200.00000000000000000000000000000000000	\$		
Road Infrastructure					\$		
			77.600		S		
l-árxi-raygruunu					\$		
Architecture					S		
Engineering					\$		
Building Repair &							
Maintenance	\$ 12,000.00	\$ 15,231.50	5	130,500,00	\$	103,268.50	
Infrastructure Hard Costs					\$		
Construction:	\$ 3,463.50		\$	1,300,000.00	S	1,296,536,50	
Construction Contingency					\$		
Environmental					\$		
Supplies:	and the second			190	\$		
Equipment:	\$ 44,913.40	\$ 8,215.00	\$	69,500.00	\$	16,371.60	
Printing				100	\$		
Marketing		1929			\$		
Sub-Grants/Scholarships					\$		
Training					\$		
Occupancy Costs					\$		
Health Center/Clinic					\$		
Consultants/Outside		200			\$		
IT Costs					\$		
Medical Equipment			10-1		\$		
General Admin Costs					\$		
Other:					\$		
Total Direct Expenses:	\$ 60,376.90	\$ 23,446.50	5	1,500,000.00		1,416,176,60	
Additional General Admin							
11.Total Expenditures	\$ 60.376.90	\$ 23,446,50	S	1,500,000,00	\$	1,416,176.60	

Email Form to: LEO-GRANTS@michlgan.gov

EXHIBIT E

include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

- (a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.
- (b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.
- (2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).
- (3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.
- (4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.
- Sec. 222. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:
 - (a) The specific organization or unit of local government that will receive or administer the funds.
 - (b) How the funds will be administered and expended.
- (2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all of the following activities to administer the grants described in subsection (1):
- (a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (3).
- (b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.
- (c) Verify to the extent possible that a grant recipient will use funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.
- (d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. To be eligible to receive a grant, a recipient must be a unit of local government, public authority or other political instrumentality as authorized by law, institution of higher education, other state department, entity registered with the department of licensing and regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act, or other entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.
- (e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information.
- (f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.
- (g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.
- (3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before December 13, 2024, the department shall do 1 of the following:
 - (a) Identify the department as the sponsor.

- (b) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.
- (4) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:
- (a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.
- (b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.
- (c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.
- (d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.
- (e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.
- (f) The signed legislative sponsorship letter required under subsection (3), incorporated into the grant agreement and included as an appendix or attachment.
- (5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.
- (6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the requirements of this subsection will be met.
- (7) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2029. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2025, the department shall return funds associated with the grant to the state treasury.
- (8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.
- (9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.
- (10) Except as otherwise provided in subsection (11), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.
- (11) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report required under subsection (10) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (10).
- (12) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.
- (13) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 301. General fund appropriations in part 1 must not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.