



SENATE BILL No. 811

January 17, 1996, Introduced by Senators SHUGARS and STEIL and referred to the Committee on Health Policy and Senior Citizens.

A bill to amend section 137 of Act No. 258 of the Public Acts of 1974, entitled as amended
"Mental health code,"
as amended by Act No. 137 of the Public Acts of 1994, being section 330.1137 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 137 of Act No. 258 of the Public Acts of
2 1974, as amended by Act No. 137 of the Public Acts of 1994, being
3 section 330.1137 of the Michigan Compiled Laws, is amended to
4 read as follows:

5 Sec. 137. ~~—(1)—~~ A person shall not construct, establish, or
6 maintain a psychiatric hospital, psychiatric unit, or psychiatric
7 partial hospitalization program or use the terms psychiatric
8 hospital, psychiatric unit, or psychiatric partial
9 hospitalization program, without first obtaining a license FROM

1 THE DEPARTMENT. The director shall require an applicant or a
2 licensee to disclose the names, addresses, and official positions
3 of ~~all persons~~ EACH PERSON who ~~have~~ HAS an ownership interest
4 in a psychiatric hospital, psychiatric unit, or psychiatric par-
5 tial hospitalization program. If the psychiatric hospital, psy-
6 chiatric unit, or psychiatric partial hospitalization program is
7 located on or in real estate ~~which~~ THAT is leased, the appli-
8 cant or licensee shall disclose the name of the lessor and any
9 direct or indirect interest that the applicant or licensee has in
10 the lease other than as lessee. A nontransferable license shall
11 be granted for 1 year after the date of issuance, unless other-
12 wise provided in sections 134 to 150. The director may issue a
13 provisional license for 1 year to provide a licensee or applicant
14 time to undertake remedial action to correct programmatic or
15 physical plant deficiencies. A provisional license may be
16 renewed for no longer than 1 additional year. A violation of
17 this section is a misdemeanor and shall be punishable by a fine
18 of not more than \$1,000.00 for each violation.

19 ~~(2) The department shall issue a provisional license to a~~
20 ~~person who is operating a psychiatric partial hospitalization~~
21 ~~program under a certificate of need as of the effective date of~~
22 ~~the amendatory act that added this subsection.~~

23 Section 2. This amendatory act shall not take effect unless
24 Senate Bill No. 807
25 of the 88th Legislature is enacted into law.