



# HOUSE BILL No. 5275

February 3, 2000, Introduced by Reps. Godchaux, Kukuk, Jellema, Byl, Geiger, Mead, Pumford, Pappageorge, Cameron Brown, Jelinek, Caul, Mortimer, LaSata, Scranton, Stamas and Jansen and referred to the Committee on Appropriation.

## EXECUTIVE BUDGET BILL

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

## 1 LINE-ITEM APPROPRIATIONS

2 Sec. 101. Subject to the conditions set forth in this bill, the  
3 amounts listed in this part are appropriated for the department of  
4 consumer and industry services for the fiscal year ending September  
5 30, 2001, from the funds identified in this part. The following is a  
6 summary of the appropriations in this part:

7 **DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES**

## 8 APPROPRIATIONS SUMMARY:

9 Full-time equated unclassified positions. . . 64.5

10 Full-time equated classified positions . . 4,154.4

11 GROSS APPROPRIATION . . . . . \$ 521,735,700

## 12 Interdepartmental grant revenues:

13 Total interdepartmental grants and

14 intradepartmental transfers . . . . . 4,143,600

15 ADJUSTED GROSS APPROPRIATION . . . . . \$ 517,592,100

## 16 Federal revenues:

17 Total federal revenues . . . . . 231,507,800

## 18 Special revenue funds:

19 Total private revenues . . . . . 745,900

20 Total other state restricted revenues . . . . . 205,993,800

21 State general fund/general purpose . . . . . \$ 79,344,600

22 **Sec. 102. EXECUTIVE DIRECTION**

23 Full-time equated unclassified positions . . 64.5

24 Full-time equated classified positions . . . 94.0

25 Unclassified salaries . . . . . \$ 5,511,000

26 Executive director programs--13.0 FTE positions 2,086,500

27 Policy development--10.0 FTE positions . . . . . 1,438,200

28 Utility consumer representation . . . . . 550,000

29 Regulatory efficiency improvements/backlog

1	reduction initiative . . . . .	750,000
2	MES board of review program--21.0 FTE positions	1,695,600
3	Office of legal affairs--41.0 FTE positions . .	4,221,800
4	Energy office--9.0 FTE positions . . . . .	<u>2,555,500</u>
5	GROSS APPROPRIATION . . . . .	\$ 18,808,600
6	Appropriated from:	
7	Federal revenues:	
8	Federal funds . . . . .	4,383,700
9	Special revenue funds:	
10	Bank fees . . . . .	177,600
11	Boiler fees . . . . .	34,600
12	Construction code fund . . . . .	305,800
13	Consumer finance fees . . . . .	41,500
14	Corporations and securities fees . . . . .	275,100
15	Credit union fees . . . . .	85,900
16	Elevator fees . . . . .	38,600
17	Fees and collections/asbestos . . . . .	10,900
18	Fire service fees . . . . .	23,800
19	Health professions regulatory fund . . . . .	1,901,200
20	Health systems fees and collections . . . . .	65,800
21	Insurance regulatory fees . . . . .	578,100
22	Licensing and regulation fees . . . . .	450,200
23	Liquor purchase revolving fund . . . . .	1,219,400
24	Manufactured housing commission fees . . . . .	154,600
25	Michigan state housing development authority	
26	fees and charges . . . . .	312,900
27	Motor carrier fees . . . . .	27,600
28	Property development fees . . . . .	4,500
29	Public utility assessments . . . . .	1,990,400

1	Safety education and training fund . . . . .		198,100
2	Second injury fund . . . . .		67,900
3	Self-insurers security fund . . . . .		17,900
4	Silicosis and dust disease fund . . . . .		26,100
5	Utility consumer representation fund . . . . .		550,000
6	Worker's compensation administrative revolving		
7	fund . . . . .		60,100
8	State general fund/general purpose . . . . .	\$	5,806,300
9	<b>Sec. 103. COUNCIL FOR ARTS AND CULTURAL AFFAIRS</b>		
10	Full-time equated classified positions . . . . .	9.0	
11	Administration--9.0 FTE positions . . . . .	\$	884,200
12	Arts and cultural grants . . . . .		<u>21,548,700</u>
13	GROSS APPROPRIATION . . . . .	\$	22,432,900
14	Appropriated from:		
15	Federal revenues:		
16	Federal funds . . . . .		700,000
17	State general fund/general purpose . . . . .	\$	21,732,900
18	<b>Sec. 104. FIRE SAFETY</b>		
19	Full-time equated classified positions . . . . .	57.0	
20	Office of fire safety--57.0 FTE positions . . . . .	\$	<u>4,865,100</u>
21	GROSS APPROPRIATION . . . . .	\$	4,865,100
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from department of community health, inspection		
25	contract . . . . .		109,200
26	Federal revenues:		
27	Federal funds . . . . .		1,298,300
28	Special revenue funds:		
29	Fire alarm regulation fees . . . . .		173,200

1	Fire service fees . . . . .	1,706,100
2	State general fund/general purpose . . . . .	\$ 1,578,300
3	<b>Sec. 105. MANAGEMENT SERVICES</b>	
4	Full-time equated classified positions . . . 178.0	
5	Administrative services--84.0 FTE positions . .	\$ 5,853,300
6	Technology support--94.0 FTE positions . . . . .	13,689,800
7	Health services information systems . . . . .	750,000
8	Insurance automation . . . . .	750,000
9	Building occupancy and rent . . . . .	13,827,300
10	Workers' compensation . . . . .	1,055,000
11	Special project advances . . . . .	<u>740,000</u>
12	GROSS APPROPRIATION . . . . .	\$ 36,665,400
13	Appropriated from:	
14	Federal revenues:	
15	Federal funds . . . . .	1,305,700
16	Special revenue funds:	
17	Private-special project advances . . . . .	740,000
18	Bank fees . . . . .	355,700
19	Boiler fee revenue . . . . .	226,100
20	Construction code fund . . . . .	1,161,300
21	Consumer finance fees . . . . .	148,400
22	Corporation and securities fees . . . . .	2,597,800
23	Credit union fees . . . . .	250,300
24	Elevator fees . . . . .	265,900
25	Fees and collections . . . . .	34,000
26	Fees and collections/asbestos . . . . .	83,000
27	Fire service fees . . . . .	31,700
28	Health professions regulatory fund. . . . .	4,343,600
29	Health systems fees and collections . . . . .	435,000

1	Insurance regulatory fees . . . . .	2,438,300
2	Licensing and regulation fees . . . . .	2,026,600
3	Liquor purchase revolving fund . . . . .	7,918,500
4	Manufactured housing commission fees . . . . .	121,500
5	Michigan state housing development authority	
6	fees and charges . . . . .	2,560,100
7	Motor carrier fees . . . . .	197,900
8	Property development fees . . . . .	29,000
9	Public utility assessments . . . . .	2,318,100
10	Safety education and training fund . . . . .	677,000
11	Second injury fund . . . . .	302,800
12	Self insurers' security fund . . . . .	78,900
13	Silicosis and dust disease fund . . . . .	113,000
14	Tax tribunal fees . . . . .	41,000
15	Worker's compensation administrative revolving	
16	fund . . . . .	1,330,700
17	State general fund/general purpose . . . . .	\$ 4,533,500
18	<b>Sec. 106. FINANCIAL SERVICES AND CORPORATIONS</b>	
19	Full-time equated classified positions . . .	379.0
20	Manufactured housing commission, per diem \$50.00	\$ 7,800
21	Manufactured housing and land resources program--15.0	
22	FTE positions . . . . .	1,496,900
23	Corporate services--61.0 FTE positions . . . . .	5,007,800
24	Investment oversight--29.0 FTE positions . . . . .	2,605,100
25	Local manufactured housing communities inspections	250,000
26	Property development group--13.0 FTE positions .	1,415,600
27	Remonumentation grants . . . . .	5,000,000
28	Financial institutions administration--18.0 FTE	
29	positions . . . . .	1,341,300

1	Bank regulation-50.0 FTE positions . . . . .	5,318,400
2	Credit union regulation--43.0 FTE positions . .	3,672,900
3	Financial institution consumer protection--21.0 FTE	
4	positions . . . . .	1,901,700
5	Financial institution policy and legislation	
6	--5.0 FTE positions . . . . .	383,000
7	Federal regulatory projects . . . . .	50,600
8	Insurance bureau--124.0 FTE positions . . . . .	<u>13,413,100</u>
9	GROSS APPROPRIATION . . . . .	\$ 41,864,200
10	Appropriated from:	
11	Federal revenues:	
12	Federal funds . . . . .	50,600
13	Special revenue funds:	
14	Private-travel funds . . . . .	5,900
15	Bank fees . . . . .	6,294,200
16	Consumer finance fees . . . . .	2,162,300
17	Corporation and securities fees . . . . .	8,032,900
18	Credit union fees . . . . .	4,160,800
19	Insurance continuing education fees . . . . .	432,400
20	Insurance licensing and regulation fees . . . .	3,238,100
21	Insurance regulatory fees . . . . .	9,604,800
22	Limited liability partnership revenue . . . . .	10,000
23	Manufactured housing commission fees . . . . .	1,910,600
24	Multiple employer welfare arrangement . . . . .	131,900
25	Property development fees . . . . .	236,600
26	Remonumentation fees . . . . .	5,593,100
27	State general fund/general purpose . . . . .	\$ 0
28	<b>Sec. 107. PUBLIC SERVICE COMMISSION</b>	
29	Full-time equated classified positions . .	143.0

1	Administration, planning and regulation--143.0 FTE		
2	positions . . . . .	\$	<u>15,358,900</u>
3	GROSS APPROPRIATION . . . . .	\$	15,358,900
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	Federal revenues:		
7	Federal funds . . . . .		419,200
8	Special revenue funds:		
9	Motor carrier fees . . . . .		1,843,300
10	Public utility assessments . . . . .		13,096,400
11	State general fund/general purpose . . . . .	\$	0
12	<b>Sec. 108. LIQUOR CONTROL COMMISSION</b>		
13	Full-time equated classified positions . . 179.0		
14	Management support services--39.0 FTE positions	\$	2,859,700
15	Liquor licensing and enforcement--140.0		
16	FTE positions . . . . .		10,646,800
17	Liquor law enforcement grants . . . . .		6,000,000
18	Grant to department of agriculture, wine industry		
19	council . . . . .		<u>457,200</u>
20	GROSS APPROPRIATION . . . . .	\$	19,963,700
21	Appropriated from:		
22	Special revenue funds:		
23	Liquor license revenue . . . . .		10,929,400
24	Liquor purchase revolving fund . . . . .		8,577,100
25	Nonretail liquor license revenue . . . . .		457,200
26	State general fund/general purpose . . . . .	\$	0
27	<b>Sec. 109. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b>		
28	Full-time equated classified positions . . . 234.0		
29	Payments on behalf of tenants . . . . .	\$	70,000,000



1	Housing and rental assistance program--227.0 FTE		
2	positions . . . . .		22,579,600
3	Automatic data processing-7.0 FTE positions . .		987,200
4	Homeless program . . . . .		<u>5,290,800</u>
5	GROSS APPROPRIATION . . . . .	\$	98,857,600
6	Appropriated from:		
7	Federal revenues:		
8	Federal funds . . . . .		84,242,300
9	Special revenue funds:		
10	Michigan state housing development authority		
11	fees and charges . . . . .		14,615,300
12	State general fund/general purpose . . . . .	\$	0
13	<b>Sec. 110. TAX TRIBUNAL</b>		
14	Full-time equated classified positions . . . .	14.0	
15	Operations--14.0 FTE positions . . . . .	\$	<u>1,633,500</u>
16	GROSS APPROPRIATION . . . . .	\$	1,633,500
17	Appropriated from:		
18	Special revenue funds:		
19	Tax tribunal fees . . . . .		627,400
20	State general fund/general purpose . . . . .	\$	1,006,100
21	<b>Sec. 111. GRANTS</b>		
22	Fire protection grants . . . . .	\$	<u>6,675,000</u>
23	GROSS APPROPRIATION . . . . .	\$	6,675,000
24	Appropriated from:		
25	Special revenue funds:		
26	Liquor purchase revolving fund . . . . .		6,675,000
27	State general fund/general purpose . . . . .	\$	0
28	<b>Sec. 112. HEALTH REGULATORY SYSTEMS</b>		
29	Full-time equated classified positions . . . .	340.0	

1	Health systems administration--181.0		
2	FTE positions . . . . .	\$	16,702,100
3	Nursing home quality incentive grants . . . . .		10,000,000
4	Emergency medical services program state staff--		
5	7.0 FTE positions . . . . .		886,100
6	Radiological health administration and projects--		
7	24.0 FTE positions . . . . .		1,940,100
8	Substance abuse program administration-4.0 FTE		
9	positions . . . . .		400,000
10	Emergency medical services grants and contracts		1,062,100
11	Health services--124.0 FTE positions . . . . .		<u>12,982,400</u>
12	GROSS APPROPRIATION . . . . .	\$	43,972,800
13	Appropriated from:		
14	Federal revenues:		
15	Federal funds . . . . .		18,050,100
16	Special revenue funds:		
17	Controlled substance license fees . . . . .		1,338,400
18	Health professions regulatory fund . . . . .		10,385,200
19	Health systems fees and collections . . . . .		3,672,400
20	Nurse professional fund . . . . .		450,000
21	State general fund/general purpose . . . . .	\$	10,076,700
22	<b>Sec. 113. REGULATORY SERVICES</b>		
23	Full-time equated classified positions . . . 293.0		
24	AFC, children's welfare and day care licensure--293.0		
25	FTE positions . . . . .	\$	<u>24,093,200</u>
26	GROSS APPROPRIATION . . . . .	\$	24,093,200
27	Appropriated from:		
28	Federal revenues:		
29	Federal funds . . . . .		9,548,600

## 1 Special revenue funds:

2	Health systems fees and collections . . . . .	152,700
3	Licensing fees . . . . .	480,400
4	State general fund/general purpose . . . . . \$	13,911,500

5 **Sec. 114. OCCUPATIONAL REGULATION**

6	Full-time equated classified positions . . . 239.0	
7	Commissions and boards . . . . . \$	41,900
8	Code enforcement--99.0 FTE positions . . . . .	7,688,600
9	Code enforcement flexibility . . . . .	1,155,500
10	Boiler inspection program--18.0 FTE positions .	1,503,100
11	Elevator inspection program--23.0 FTE positions	1,809,200
12	Commercial services--99.0 FTE positions . . . .	<u>9,020,600</u>
13	GROSS APPROPRIATION . . . . . \$	21,218,900

## 14 Appropriated from:

## 15 Special revenue funds:

16	Boiler fee revenue . . . . .	1,646,500
17	Construction code fund . . . . .	8,638,200
18	Elevator fees . . . . .	1,913,600
19	Health professions regulatory fund . . . . .	227,400
20	Homeowner construction lien recovery fund . . .	1,528,900
21	Licensing and regulation fees . . . . .	6,739,800
22	Real estate appraiser continuing education fund	45,000
23	Real estate education fund . . . . .	217,500
24	State general fund/general purpose . . . . . \$	262,000

25 **Sec. 115. EMPLOYMENT RELATIONS**

26	Full-time equated classified positions . . . 28.0	
27	Fact finding and arbitration . . . . . \$	154,300
28	Employment and labor relations--28.0 FTE positions	<u>2,925,200</u>
29	GROSS APPROPRIATION . . . . . \$	3,079,500

1       Appropriated from:

2       Federal revenues:

3       Federal funds . . . . . 30,000

4       Special revenue funds:

5       Publication revenue . . . . . 10,000

6       State general fund/general purpose . . . . . \$ 3,039,500

7       **Sec. 116. SAFETY AND REGULATION**

8       Full-time equated classified positions . . . 277.0

9       Commissions and boards . . . . . \$ 27,700

10      Employment standards enforcement--38.0 FTE

11      positions . . . . . 2,525,800

12      Subgrantees . . . . . 1,026,900

13      Occupational safety and health--239.0 FTE

14      positions . . . . . 21,975,800

15      GROSS APPROPRIATION . . . . . \$ 25,556,200

16      Appropriated from:

17      Federal revenues:

18      Federal revenues . . . . . 12,202,300

19      Special revenue funds:

20      Fees and collections/asbestos . . . . . 694,200

21      Safety education and training fund . . . . . 5,444,800

22      State general fund/general purpose . . . . . \$ 7,214,900

23      **Sec. 117. WORKER'S DISABILITY COMPENSATION**

24      Full-time equated classified positions . . . 171.4

25      Administration--119.0 FTE positions . . . . . \$ 8,302,400

26      Board of magistrates administration--8.0 FTE

27      positions . . . . . 1,819,500

28      Appellate commission administration-11.4 FTE

29      positions . . . . . 843,300

1	Supplemental benefit fund . . . . .	1,300,000
2	Insurance funds administration--33.0 FTE positions	10,163,300
3	Automatic data processing . . . . .	506,000
4	Grant to the department of career development -	
5	hire the handicapped program . . . . .	<u>50,000</u>
6	GROSS APPROPRIATION . . . . .	\$ 22,984,500
7	Appropriated from:	
8	Special revenue funds:	
9	Second injury fund . . . . .	6,463,600
10	Self insurers' security fund . . . . .	1,723,000
11	Silicosis and dust disease fund . . . . .	2,532,700
12	Worker's compensation administration revolving	
13	fund . . . . .	2,082,300
14	State general fund/general purpose . . . . .	\$ 10,182,900
15	<b>Sec. 118. UNEMPLOYMENT AGENCY</b>	
16	Full-time equated classified positions . . 1,519.0	
17	Worker's compensation . . . . .	\$ 765,000
18	Building occupancy and rent . . . . .	9,812,800
19	Unemployment program--1,441.7 FTE positions . .	94,215,100
20	Advocacy assistance program--8.0 FTE positions .	1,533,300
21	Special audit and collections program--34.0 FTE	
22	positions . . . . .	2,144,900
23	Training program for agency staff--2.1 FTE	
24	positions . . . . .	2,778,800
25	Expanded fraud control program--33.2 FTE	
26	positions . . . . .	<u>2,455,800</u>
27	GROSS APPROPRIATION . . . . .	\$ 113,705,700
28	Appropriated from:	
29	Interdepartmental grant revenues:	

1	IDG from family independence agency . . . . .	4,034,400
2	Federal revenues:	
3	DOL, employment and training administration . .	515,800
4	DOL, unemployment insurance . . . . .	94,635,500
5	Federal Reed act funds . . . . .	4,125,700
6	Special revenue funds:	
7	Contingent fund, penalty and interest account .	10,394,300
8	State general fund/general purpose . . . . .	\$ 0

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 2000-2001 is \$285,338,400.00 and state appropriations to be paid to local units of government are as follows:

## DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

Arts and cultural grants . . . . .	\$ 10,000,000
Fire protection grants . . . . .	6,675,000
Liquor law enforcement . . . . .	6,000,000
Local manufactured housing inspections . . . .	250,000
Remonumentation grants . . . . .	5,000,000
Subgrantees . . . . .	<u>200,000</u>
Total consumer and industry services . . . . .	\$ 28,125,000

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended for any quarter under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director, the senate and house of representatives standing

1 committees on appropriations, and the senate and house fiscal  
2 agencies.

3 Sec. 202. The expenditures and funding sources authorized under  
4 this bill are subject to the management and budget act, 1984 PA 431,  
5 MCL 18.1101 to 18.1594.

6 Sec. 203. As used in this bill:

7 (a) "AFC" means adult foster care.

8 (b) "Department" means the department of consumer and industry  
9 services.

10 (c) "DOL" means the United States department of labor.

11 (d) "Fiscal agencies" means Michigan house fiscal agency and  
12 Michigan senate fiscal agency.

13 (e) "FTE" means full-time equated.

14 (f) "IDG" means interdepartmental grant.

15 (g) "MES" means Michigan employment security.

16 (h) "OSHA" means the United States department of labor  
17 occupational safety and health administration.

18 Sec. 204. (1) Beginning October 1, a hiring freeze is imposed on  
19 the state classified civil service. State departments and agencies are  
20 prohibited from hiring any new full-time state classified civil  
21 service employees and prohibited from filling any vacant state  
22 classified civil service positions. This hiring freeze does not apply  
23 to internal transfers of classified employees from one position to  
24 another within a department or to positions that are funded with 80%  
25 or more federal or restricted funds.

26 (2) The state budget director shall grant exceptions to this  
27 hiring freeze when the state budget director believes that the hiring  
28 freeze will result in rendering a state department or agency unable to  
29 deliver basic services. The state budget director shall report by the  
30 30<sup>th</sup> of each month to the chairpersons of the senate and house of

1 representatives standing committees on appropriations the number of  
2 exceptions to the hiring freeze approved during the previous month and  
3 the reasons to justify the exception.

4       Sec. 205. The department of civil service shall bill departments  
5 and agencies at the end of the first fiscal quarter for the 1% charge  
6 authorized by section 5 of article XI of the state constitution of  
7 1963. Payments shall be made for the total amount of the billing by  
8 the end of the second fiscal quarter.

9       Sec. 206. Sixty days before beginning any effort to privatize, the  
10 department shall submit a complete project plan to the appropriate  
11 subcommittees of the senate and house of representatives standing  
12 committees on appropriations and the senate and house fiscal agencies.  
13 The plan shall include the criteria under which the privatization  
14 initiative will be evaluated. The evaluation shall be completed and  
15 submitted to the appropriate subcommittees of the senate and house of  
16 representatives standing committees on appropriations and the senate  
17 and house fiscal agencies within 30 months.

18       Sec. 207. The department shall continue to pilot the use of the  
19 Internet to fulfill the reporting requirements in this act. This may  
20 include transmission of reports via electronic mail to the recipients  
21 identified for each reporting requirement. Or it may include  
22 placement of reports on the Internet or on the Intranet. The  
23 appropriations subcommittee shall be notified in writing of the  
24 Internet/Intranet site of any such report.

25       Sec. 208. (1) In addition to the funds appropriated in part 1,  
26 there is appropriated an amount not to exceed \$23,500,000.00 for  
27 federal contingency funds. These funds are not available for  
28 expenditure until they have been transferred to another line item in  
29 this bill pursuant to section 393(2) of the management and budget act,  
30 1984 PA 431, MCL 18.1393.



1       (2) In addition to the funds appropriated in part 1, there is  
2 appropriated an amount not to exceed \$12,200,000.00 for state  
3 restricted contingency funds. These funds are not available for  
4 expenditure until they have been transferred to another line item in  
5 this bill pursuant to section 393(2) of the management and budget act,  
6 1984 PA 431, MCL 18.1393.

7       (3) In addition to the funds appropriated in part 1, there is  
8 appropriated an amount not to exceed \$180,800.00 for local contingency  
9 funds. These funds are not available for expenditure until they have  
10 been transferred to another line item in this bill pursuant to section  
11 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

12       (4) In addition to the funds appropriated in part 1, there is  
13 appropriated an amount not to exceed \$50,000.00 for private  
14 contingency funds. These funds are not available for expenditure until  
15 they have been transferred to another line item in this bill pursuant  
16 to section 393(2) of the management and budget act, 1984 PA 431, MCL  
17 18.1393.

18 **DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES**

19       Sec. 301. The appropriation in part 1 for fire protection grants  
20 from the liquor purchase revolving fund shall be appropriated to  
21 cities, villages, and townships with state-owned facilities for fire  
22 services, instead of taxes, in accordance with 1977 PA 289, MCL  
23 141.951 to 141.956.

24       Sec. 302. The funds collected by the financial institutions bureau  
25 in connection with a conservatorship pursuant to section 32 of the  
26 mortgage brokers, lenders, and servicers licensing act, 1987 PA 173,  
27 MCL 445.1682, shall be appropriated for all expenses necessary to  
28 provide for the required services. Funds are available for expenditure  
29 when they are received by the department of treasury and shall not  
30 lapse to the general fund at the end of the fiscal year.

1       Sec. 303. The funds collected by the department from corporations  
2 being liquidated pursuant to the insurance code of 1956, 1956 PA 218,  
3 MCL 500.100 to 500.8302, shall be appropriated for all expenses  
4 necessary to provide for the required services. Funds are available  
5 for expenditure when they are received by the department of treasury  
6 and shall not lapse to the general fund at the end of the fiscal year.

7       Sec. 304. The department may make available to interested entities  
8 otherwise unavailable customized listings of nonconfidential  
9 information in its possession, such as names and addresses of  
10 licensees, and charge for this information as follows: base fee for 1  
11 to 1,000 records at the cost to the department; 1,001 to 10,000  
12 records at 2.5 cents per record; and 10,001 or more records at .5  
13 cents per record. The revenue received from this service may be used  
14 to offset expenses of programs as appropriated in part 1. The balance  
15 of this revenue collected and unexpended at the end of the fiscal year  
16 shall revert to the appropriate restricted revenue account or fund or,  
17 in absence of such an account or fund, to the general fund. The  
18 department shall submit an annual report on or before June 1, 2001 to  
19 the regulatory subcommittees of the house and senate appropriations  
20 committees that states the amount of revenue received from the sale of  
21 information.

22       Sec. 305. The appropriation in part 1 may be used for per diem  
23 payments to the members of commissions or boards for a full day of  
24 committee work at which a quorum is present or for performing official  
25 business as authorized by each respective commission or board within  
26 the department of consumer and industry services. The per diem  
27 payments shall be \$50.00 per day for all commissions and boards.

28       Sec. 306. (1) The Michigan council for arts and cultural affairs  
29 in the department shall administer the arts and cultural grants  
30 appropriated in part 1. The council shall provide for fair and

1 independent decisions on arts and cultural grant requests based upon  
2 published criteria to evaluate program quality. This criteria shall  
3 include a prohibition of art projects that include displays of human  
4 wastes on religious symbols, displays of sex acts, and depictions of  
5 flag desecration. The council shall seek to award grants on an  
6 equitable geographic basis to the extent possible given the quality of  
7 grant applications received. Priority shall be given to projects that  
8 serve multiple counties and that leverage significant additional  
9 public and private investment. Counties, cities, villages, townships,  
10 community foundations, and organizations may apply for the following  
11 categories of grants:

12 (a) State arts anchor organizations that serve a statewide or  
13 regional audience.

14 (b) Arts education programs, also known as the arts and learning  
15 programs.

16 (c) Local arts programs.

17 (d) Arts organization development programs. These programs are  
18 designed to encourage self-sufficiency in organizations. Grant awards  
19 under this program are limited to 4 grant periods.

20 (e) Historical organizations and projects.

21 (f) Zoos.

22 (g) Publicly owned facilities, excluding stadiums used primarily  
23 for professional sports events.

24 (h) Cultural and community organizations and projects.

25 (i) Art institutions.

26 (j) Symphony orchestras.

27 (k) Multicounty regional arts regranting and programming councils.

28 (l) Music education camps.

29 (m) Capital outlay projects.

30 (2) Applications for arts and cultural grants shall be received by

1 the department, Michigan council for arts and cultural affairs, not  
2 later than June 1, 2001.

3 (3) The appropriation for arts and cultural grants in part 1 and  
4 disbursed under this section shall, at a minimum, be matched on an  
5 equal dollar-for-dollar basis from local and private contributions  
6 paid and received by each awardee receiving grants under this section.  
7 The dollar-for-dollar match may include the reasonable value of  
8 services, materials, and equipment as allowed under the federal  
9 internal revenue code for charitable contributions subject also to the  
10 preapproval of such a match by the Michigan council for arts and  
11 cultural affairs. The council shall receive proof of the entire amount  
12 of the matching funds, services, materials, or equipment by the end of  
13 the award period. The council shall submit a report to the regulatory  
14 subcommittees of the house and senate appropriations committees  
15 regarding those counties, cities, villages, townships, community  
16 foundations, and organizations failing to meet their matching  
17 requirements by the end of the award period.

18 (4) Before any amount appropriated for arts and cultural grants in  
19 part 1 may be expended for a grant to eligible applicants for the  
20 purposes in this section, the department shall execute a grant  
21 agreement with each grantee. The grant agreement shall specify the  
22 criteria included in this section with which the application complies.  
23 The grant agreement shall include a list of the projects funded and  
24 the amount of funds each subgrantee, if applicable, will receive for  
25 those projects. A contract shall not be executed and dollars shall not  
26 be disbursed until 2 weeks after the regulatory subcommittees of the  
27 house and senate appropriations committees have received a copy of the  
28 proposed contract.

29 (5) By November 1, 2000, the department shall report to the  
30 regulatory subcommittees of the house and senate appropriations

1 committees on how the council intends to implement the provisions of  
2 this section, including the process for evaluating organization  
3 quality and efforts to achieve an equitable geographic distribution of  
4 grants.

5 (6) By not later than one month after the grant application  
6 deadline, the department shall provide a list of all grant  
7 applications, by county, to the regulatory subcommittees of the house  
8 and senate appropriations committees. The department shall, at least  
9 30 days before the award of any grant, provide the regulatory  
10 subcommittees of the house and senate appropriations committees a list  
11 of all proposed grant awardees.

12 (7) Counties, cities, villages, townships, community foundations,  
13 and organizations receiving funds under this section shall provide the  
14 following reports to the Michigan council for arts and cultural  
15 affairs and to the regulatory subcommittees of the house and senate  
16 appropriations committees:

17 (a) A final report covering the grant period and due within 30  
18 days after the end of the grant period indicating at least the  
19 following:

20 (i) Revenues and expenditures, indicating whether revenues are  
21 from private donations or fees.

22 (ii) Number of employees.

23 (iii) Number of new hires.

24 (b) For awardees receiving grants greater than \$100,000.00, a copy  
25 of the awardee's annual report and audit report for the fiscal year in  
26 which the majority of the grant took place due within 90 days after  
27 the end of the awardee's fiscal year. The audit report shall include  
28 an audit of grant funds. A representative sampling of grant agreements  
29 shall be audited by the state auditor general. The audit report shall  
30 be submitted to the regulatory subcommittees of the house and senate

1 appropriations committees for review. These awardees shall also submit  
2 the information in subdivision (a) on a quarterly basis for the  
3 immediately preceding quarter due on January 7, 2001, April 7, 2001,  
4 July 7, 2001, and October 7, 2001.

5 (8) The recipients of grant funds under this section shall be  
6 announced by the department by September 15, 2001.

7 (9) A grant awarded under this section and the matching funds  
8 which conferred eligibility for the grant award shall be used by the  
9 recipient of the grant award and shall not be redistributed by that  
10 recipient to any other entity unless specifically provided for in the  
11 grant agreement between the funded grant awardee and the Michigan  
12 council for arts and cultural affairs.

13 (10) The applicants for arts and cultural grant funds shall be  
14 charged a nonrefundable application fee of \$100.00 or 1% of the grant,  
15 whichever is less. The application fee may be used by the department  
16 to recover direct and indirect costs as appropriated in part 1.

17 (11) From the funds appropriated in part 1 for arts and cultural  
18 grants, organizations receiving grants within the state arts anchor  
19 organization category for either the fiscal year ending September 30,  
20 2000 or the fiscal year ending September 30, 2001 shall not receive a  
21 combined grant award from this and any other Michigan council for arts  
22 and cultural affairs grant categories, with the exception of the  
23 partnership program, in excess of 19.8% of the organization's  
24 operating revenue. For the purposes of this subsection, "operating  
25 revenue" shall be defined in the same manner as it was defined during  
26 the fiscal year 1999 state arts anchor organization application  
27 process. It is the intent of the legislature that the Michigan council  
28 for arts and cultural affairs take appropriate steps to ensure that  
29 all organizations receiving state arts anchor organization grants have  
30 combined grant awards, as defined above, of no more than 15.0% of

1 operating revenue for the fiscal year ending September 30, 2005 and  
2 beyond.

3       Sec. 307. The department may receive and expend contributions from  
4 public, private, and federal sources, except state agencies, for the  
5 purpose of acquiring or constructing art objects or promoting or  
6 preserving the arts in or on state properties. Expenditures of any  
7 funds received shall be consistent with the purposes of the  
8 Faxon-McNamee art in public places act, 1980 PA 105, MCL 18.71 to  
9 18.81. Any funds received under this section are considered a work  
10 project account and may be carried forward into the succeeding fiscal  
11 year.

12       Sec. 308. The Michigan state housing development authority shall  
13 annually present a report to the regulatory subcommittees of the house  
14 and senate appropriations committees on the status of the authority's  
15 housing production goals under all financing programs established or  
16 administered by the authority. The report shall give special attention  
17 to efforts to raise affordable multifamily housing production goals.

18       Sec. 309. The department shall assess and collect fees in the  
19 licensing and regulation of child care organizations as defined in  
20 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities  
21 as defined in the adult foster care facility licensing act, 1979 PA  
22 218, MCL 400.701 to 400.737. Fees collected by the department shall  
23 not exceed the deducts in part 1 and shall be used exclusively for the  
24 purpose of licensing and regulating child care organizations and adult  
25 foster care facilities.

26       Sec. 310. The appropriation in part 1 for the department, bureau  
27 of safety and regulation, safety education and training division,  
28 includes funding for on-site consultation and education and training  
29 programs. The appropriation in part 1 anticipates that 90% of the  
30 on-site consultation program costs and 50% of the education and

1 training program costs will be supported by federal OSHA funds and the  
 2 remaining 10% and 50% respectively will be supported by safety  
 3 education and training funds. If federal OSHA funding does not become  
 4 available to cover up to 90% of the program costs for on-site  
 5 consultation and 50% for education and training, up to 50% of the  
 6 program costs for on-site consultation and 90% of the program costs  
 7 for education and training may be paid from the safety education and  
 8 training fund as a match for available federal funds.

9       Sec. 311. The funds collected by the department for licenses,  
 10 permits, and other elevator regulation fees set forth in R408.8151 of  
 11 the Michigan administrative code and as determined under section 8 of  
 12 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816,  
 13 that are unexpended at the end of the fiscal year shall carry forward  
 14 to the subsequent fiscal year. The department shall submit a report on  
 15 an annual basis to the regulatory subcommittees of the house and  
 16 senate appropriations committees on the amount of funds available  
 17 under this section.

18       Sec. 312. If the revenue collected by the department for  
 19 occupational safety and health, health systems administration, or  
 20 radiological health administration and projects from fees and  
 21 collections exceeds the amount appropriated in part 1, the revenue may  
 22 be carried forward into the subsequent fiscal year. The revenue  
 23 carried forward under this section shall be used as the first source  
 24 of funds in the subsequent fiscal year.

25       Sec. 313. Money appropriated under this bill for fire safety  
 26 programs shall not be expended unless, in accordance with section 2c  
 27 of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and  
 28 plan review fees will be charged according to the following schedule:

29               Operation and maintenance inspection fee  
 30               Facility type                      Facility size                      Fee



3	<u>Project cost range</u>	<u>Fee</u>
4	\$101,000.00 or less	minimum fee of \$125.00
5	\$101,001.00 to \$1,500,000.00	\$1.24 per \$1,000.00
6	\$1,500,001.00 to \$10,000,000	\$0.90 per \$1,000.00
7	\$10,000,001.00 or more	\$0.70 per \$1,000.00
8		or a maximum fee of \$50,000.00.

16       Sec. 315. (1) From the amount appropriated in part 1 to health  
17       systems administration, the department shall provide funding for not  
18       less than 113 inspectors to annually survey and investigate the care  
19       and services delivered in nursing homes, county medical care  
20       facilities, and hospital long-term care units in accordance with  
21       provisions in the public health code, 1978 PA 368, MCL 333.1101 to  
22       333.25211, and federal Medicare and Medicaid certification standards.

28       Sec. 316. If the revenue collected by the department from  
29       licensing and regulation fees exceeds the amount appropriated in part  
30       1, the revenue may be carried forward into the subsequent fiscal year.

1 The revenue carried forward under this section shall be used as the  
2 first source of funds in the subsequent fiscal year.

3 Sec. 317. Funds earned or authorized by the United States  
4 department of labor in excess of the gross appropriation in part 1 for  
5 the Michigan unemployment agency from the United States department of  
6 labor are appropriated and may be expended for staffing and related  
7 expenses incurred in the operation of its programs. These funds may be  
8 spent after the department notifies the regulatory subcommittees of  
9 the house and senate appropriations committees of the purpose and  
10 amount of each grant award.

11 Sec. 318. The department shall sell documents at a price not to  
12 exceed the cost of production and distribution. Money received from  
13 the sale of these documents shall revert to the department. The funds  
14 are available for expenditure when they are received by the department  
15 of treasury and may only be used for costs directly related to the  
16 continued updating and distribution of the documents pursuant to this  
17 section. This section applies only for the following documents:

18 (a) Corporation and securities division documents, reports, and  
19 papers required or permitted by law pursuant to section 1060(5) of the  
20 business corporation act, 1972 PA 284, MCL 450.2060.

21 (b) The subdivision control manual, the state boundary commission  
22 operations manual, and other local government assistance manuals.

23 (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL  
24 436.1101 to 436.2303, with amendments.

25 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301 to  
26 125.2349; the business corporation act, 1972 PA284, MCL 450.1101 to  
27 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to  
28 450.3192; and the uniform securities act, 1964 PA 265, MCL 451.501 to  
29 451.818.

30 (e) Labor law books.

1 (f) Worker's compensation health care services rules.

2 (g) Minimum design standards for health care facilities.

3 Sec. 319. The department shall report to the appropriations  
4 subcommittees and the fiscal agencies on March 1, 2001 and September  
5 1, 2001 on the initial and follow-up surveys conducted on all nursing  
6 homes in this state. The report shall include all of the following  
7 information:

8 (a) The number of surveys conducted.

9 (b) The number requiring follow-up surveys.

10 (c) The number referred to the Michigan public health institute  
11 for remediation.

12 (d) The number of citations per home.

13 (e) The number of night and weekend complaints filed.

14 (f) The number of night and weekend responses to complaints  
15 conducted by the department.

16 (g) The average length of time for the department to respond to a  
17 complaint filed against a nursing home.

18 Sec. 320. The department, bureau of safety and regulation, shall  
19 provide an annual report by February 1 of each year to the appropriate  
20 house and senate appropriations subcommittees and the fiscal agencies  
21 on the number of individuals killed and the number of individuals  
22 injured on the job within industries regulated by the bureau during  
23 the preceding calendar year.

24 Sec. 321. The department shall report by November 1, 2000 to the  
25 legislature and the fiscal agencies the status of the nursing home  
26 complaint investigation backlog and any suggested revisions to current  
27 statute or promulgated rules that will assist in improving the  
28 effectiveness of the nursing home survey and complaint investigation  
29 process.

30 Sec. 322. As a condition for receiving the general fund/general

1 purpose appropriations in part 1 for health systems administration,  
2 the department shall provide assistance to any person making an oral  
3 request for a nursing home investigation in putting his or her request  
4 into writing, shall initiate investigations on all written nursing  
5 home complaints filed with the department within 15 days of receipt of  
6 the complaint, and shall provide a written response to the complainant  
7 within 30 days of receipt of the written complaint.

8       Sec. 323. Of the funds appropriated in part 1 for insurance bureau  
9 administration, the insurance bureau may utilize up to \$15,000.00 in  
10 insurance regulatory and licensing fee revenue to pay for legislators  
11 designated by the senate majority leader and speaker of the house of  
12 representatives to participate in insurance activities coordinated by  
13 insurance and legislative associations including the national  
14 association of insurance commissioners and the national council of  
15 insurance legislators in accordance with section 225 of the insurance  
16 code of 1956, 1956 PA 218, MCL 500.225. The insurance commissioner  
17 shall maintain a list of the names of and amounts provided to  
18 individual legislators pursuant to this section.

19       Sec. 324. It is the intent of the legislature that the  
20 unemployment agency, during its transition to the remote initial  
21 claims system, operate a sufficient number of unemployment agency  
22 offices, including itinerant or satellite offices, within Michigan's  
23 Upper Peninsula to ensure that the citizens of the Upper Peninsula can  
24 access these offices without excessive travel.

25       Sec. 325. The department shall provide for the updating of all  
26 relevant files and lists maintained by the Michigan child care  
27 clearinghouse. The department shall provide a report to the  
28 appropriate house and senate appropriations subcommittees on the costs  
29 involved with complying with this section by September 30, 2001.

final page