

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 190, entitled

A bill to make appropriations for the department of licensing and regulatory affairs and certain other state purposes for the fiscal year ending September 30, 2014; 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.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of licensing and regulatory affairs and certain other state purposes for the fiscal year ending September 30, 2014; 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.

Mark C. Jansen

Anthony G. Forlini

Roger Kahn

Al Pscholka

Bert Johnson

Pam Faris

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 190**

A bill to make appropriations for the department of licensing and regulatory affairs and certain other state purposes for the fiscal year ending September 30, 2014; 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
2
3
4

PART 1

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2013-2014

Sec. 101. The amounts listed in this part are appropriated for

the department of licensing and regulatory affairs, subject to the conditions set forth in this act, for the fiscal year ending September 30, 2014, from the funds identified in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 57.5

Full-time equated classified positions..... 2,913.0

GROSS APPROPRIATION..... \$ 502,918,700

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 14,228,200

ADJUSTED GROSS APPROPRIATION..... \$ 488,690,500

Federal revenues:

Total federal revenues..... 195,559,900

Special revenue funds:

Total local revenues..... 656,500

Total private revenues..... 2,011,800

Total other state restricted revenues..... 265,457,400

State general fund/general purpose..... \$ 25,004,900

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose 22,864,600

One-time state general fund/general

purpose 2,140,300

Sec. 102. DEPARTMENTAL ADMINISTRATION

Full-time equated unclassified positions..... 57.5

1	Full-time equated classified positions.....	124.0	
2	Unclassified salaries--57.5 FTE positions		\$ 4,652,400
3	Executive director programs--33.0 FTE positions		4,704,300
4	Administrative services--87.0 FTE positions		8,725,000
5	Office of regulatory reinvention--4.0 FTE positions ..		477,000
6	Property management.....		10,007,300
7	Rent.....		7,673,600
8	Worker's compensation.....		612,300
9	Special project advances.....		<u>200,000</u>
10	GROSS APPROPRIATION.....		\$ 37,051,900
11	Appropriated from:		
12	Federal revenues:		
13	DOL, multiple grants for safety and health.....		891,600
14	DOL-ETA, unemployment insurance		10,126,600
15	Federal revenues.....		834,000
16	Title XVIII Medicare.....		452,000
17	Title XIX Medicaid.....		21,700
18	Title XIX Medicaid, facility certification fees		272,700
19	Special revenue funds:		
20	Local revenues.....		127,500
21	Private - special project advances		200,000
22	Aboveground storage tank fees.....		56,100
23	Accountancy enforcement fund.....		25,000
24	Boiler fee revenue.....		254,700
25	Builder enforcement fund.....		56,900
26	Construction code fund.....		1,401,400
27	Contingent fund, regular penalty and interest		39,900

1	Corporation fees.....	4,101,300
2	Elevator fees.....	276,500
3	Fees and collections/asbestos.....	104,200
4	Fire service fees.....	621,900
5	Health professions regulatory fund.....	1,491,700
6	Health systems fees.....	208,800
7	Licensing and regulation fees.....	1,113,400
8	Liquor purchase revolving fund.....	4,437,300
9	Michigan medical marihuana fund.....	214,600
10	Mobile home code fund.....	344,400
11	Motor carrier fees.....	221,100
12	Private occupational school license fees.....	39,000
13	Public utility assessments.....	2,405,300
14	Radiological health fees.....	95,600
15	Safety education and training fund.....	839,100
16	Second injury fund.....	264,500
17	Securities fees.....	3,159,800
18	Self-insurers security fund.....	97,300
19	Silicosis and dust disease fund.....	118,900
20	Survey and remonumentation fund.....	53,000
21	Tax tribunal fund.....	1,038,200
22	Video franchise assessments.....	4,000
23	Worker's compensation administrative revolving fund..	100,000
24	State general fund/general purpose.....	\$ 941,900
25	Sec. 103. PUBLIC SERVICE COMMISSION	
26	Full-time equated classified positions.....	193.0
27	Public service commission--190.0 FTE positions.....	\$ 30,219,900

1	METRO authority--3.0 FTE positions	<u>377,200</u>
2	GROSS APPROPRIATION.....	\$ 30,597,100
3	Appropriated from:	
4	Federal revenues:	
5	DOE-OEERE, multiple grants	56,700
6	DOT, gas pipeline safety.....	1,188,700
7	Special revenue funds:	
8	Children's protection registry fund.....	272,600
9	Motor carrier fees.....	2,520,300
10	Public utility assessments.....	25,623,300
11	Restructuring mechanism assessments.....	535,500
12	Video franchise assessments.....	400,000
13	State general fund/general purpose.....	\$ 0
14	Sec. 104. LIQUOR CONTROL COMMISSION	
15	Full-time equated classified positions.....	152.0
16	Management support services--28.0 FTE positions	\$ 4,508,500
17	Liquor licensing and enforcement--124.0 FTE positions	<u>14,909,900</u>
18	GROSS APPROPRIATION.....	\$ 19,418,400
19	Appropriated from:	
20	Special revenue funds:	
21	Direct shipper enforcement revolving fund.....	123,100
22	Liquor license revenue.....	7,710,000
23	Liquor purchase revolving fund.....	11,585,300
24	State general fund/general purpose.....	\$ 0
25	Sec. 105. OCCUPATIONAL REGULATION	
26	Full-time equated classified positions.....	872.0
27	Boiler inspection program--23.0 FTE positions	\$ 3,241,300

1	Bureau of fire services--97.0 FTE positions	12,031,800
2	Bureau of construction codes--104.7 FTE positions	8,933,700
3	Corporations, securities, and commercial licensing	
4	bureau--192.0 FTE positions	26,560,800
5	Elevator inspection program--30.0 FTE positions	3,645,700
6	Health professions regulation--151.0 FTE positions ...	27,472,300
7	Medical marihuana program--9.0 FTE positions	4,200,000
8	Health systems regulation--211.4 FTE positions	27,825,600
9	Radiological health administration--21.4 FTE positions	3,417,000
10	Background check program--5.5 FTE positions	2,615,100
11	Manufactured housing and land resources program--18.0	
12	FTE positions	2,947,200
13	Property development group--9.0 FTE positions	<u>1,823,700</u>
14	GROSS APPROPRIATION.....	\$ 124,714,200
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG-DCH, inspection contract	100,000
18	Federal revenues:	
19	Clinical lab improvement	395,000
20	DOT	60,000
21	Federal revenues	1,255,300
22	FEMA	28,000
23	Mammography quality standards	760,400
24	Title XVIII Medicare	11,615,200
25	Title XIX Medicaid	718,000
26	Title XIX Medicaid, facility certification fees	7,466,600
27	Special revenue funds:	

1	Private - civil monetary penalties.....	200,000
2	Aboveground storage tank fees.....	441,100
3	Accountancy enforcement fund.....	404,800
4	Boiler fee revenue.....	3,719,000
5	Builder enforcement fund.....	461,000
6	Construction code fund.....	7,272,400
7	Corporation fees.....	6,846,700
8	Elevator fees.....	4,069,300
9	Fire alarm fees.....	125,400
10	Fire safety standard and enforcement fund.....	40,000
11	Fire service fees.....	2,419,400
12	Fireworks safety fund.....	673,700
13	Health professions regulatory fund.....	23,326,800
14	Health systems fees.....	3,300,200
15	Licensing and regulation fees.....	11,268,800
16	Liquor purchase revolving fund.....	3,110,800
17	Michigan medical marihuana fund.....	4,200,000
18	Mobile home code fund.....	2,947,200
19	Nurse professional fund.....	1,923,600
20	Pain management fees.....	1,808,500
21	Private occupational school license fees.....	809,400
22	Property development fees.....	318,100
23	Radiological health fees.....	2,656,600
24	Real estate appraiser continuing education fund.....	57,200
25	Real estate education fund.....	338,100
26	Real estate enforcement fund.....	694,300
27	Securities fees.....	4,881,000

1	Securities investor education and training fund.....		1,000,000
2	Security business fund.....		340,100
3	Survey and remonumentation fund.....		830,100
4	Unarmed combat fund.....		134,900
5	Underground storage tank fees.....		2,484,700
6	State general fund/general purpose.....	\$	9,212,500
7	Sec. 106. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH		
8	ADMINISTRATION		
9	Full-time equated classified positions.....	249.0	
10	Occupational safety and health--217.0 FTE positions ..	\$	28,325,100
11	Wage and hour division--32.0 FTE positions		<u>3,615,300</u>
12	GROSS APPROPRIATION.....	\$	31,940,400
13	Appropriated from:		
14	Federal revenues:		
15	DOL, multiple grants for safety and health.....		11,722,600
16	Special revenue funds:		
17	Corporation fees.....		4,359,200
18	Fees and collections/asbestos.....		1,010,400
19	Safety education and training fund.....		9,284,000
20	Securities fees.....		3,432,200
21	State general fund/general purpose.....	\$	2,132,000
22	Sec. 107. EMPLOYMENT SERVICES		
23	Full-time equated classified positions.....	1,086.0	
24	Worker's compensation agency--64.0 FTE positions	\$	7,680,700
25	Insurance funds administration--25.0 FTE positions ...		5,202,500
26	Compensation supplement fund.....		820,000
27	Unemployment insurance agency--792.7 FTE positions ...		89,303,000

1	Advocacy assistance program.....	1,500,000
2	Special audit and collections program--34.0 FTE	
3	positions	3,374,300
4	Training program for agency staff--2.1 FTE positions .	1,850,600
5	Expanded fraud control program--33.2 FTE positions ...	3,974,100
6	Bureau of services for blind persons--113.0 FTE	
7	positions	23,725,200
8	Employment and labor relations--22.0 FTE positions ...	<u>4,125,800</u>
9	GROSS APPROPRIATION.....	\$ 141,556,200
10	Appropriated from:	
11	Federal revenues:	
12	DOL-ETA, employment and training administration.....	828,900
13	DOL-ETA, unemployment insurance.....	92,858,400
14	Federal revenues.....	17,133,400
15	Special revenue funds:	
16	Local revenues.....	529,000
17	Private revenues.....	111,800
18	Contingent fund, regular penalty and interest	5,314,700
19	Corporation fees.....	1,758,000
20	Michigan commission for the blind business enterprise	
21	program fund	562,000
22	Second injury fund.....	2,800,700
23	Securities fees.....	5,012,800
24	Self-insurers security fund.....	1,324,100
25	Silicosis and dust disease fund.....	1,077,700
26	Special fraud control fund.....	1,000,000
27	Worker's compensation administrative revolving fund..	2,438,000

1	State general fund/general purpose	\$	8,806,700
2	Sec. 108. MICHIGAN ADMINISTRATIVE HEARING SYSTEM		
3	Full-time equated classified positions.....	237.0	
4	Michigan administrative hearing system--209.0 FTE		
5	positions	\$	36,803,900
6	Michigan compensation appellate commission--28.0 FTE		
7	positions		<u>4,386,000</u>
8	GROSS APPROPRIATION.....	\$	41,189,900
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG - administrative hearings and rules		14,128,200
12	Federal revenues:		
13	DOL-ETA, unemployment insurance		4,064,600
14	Federal revenue - administrative hearings and rules ..		9,154,300
15	Special revenue funds:		
16	State restricted revenue - administrative hearings and		
17	rules		12,508,700
18	Worker's compensation administrative revolving fund ..		321,400
19	State general fund/general purpose	\$	1,012,700
20	Sec. 109. INFORMATION TECHNOLOGY		
21	Information technology services and projects	\$	41,392,800
22	Liquor control commission IT upgrades		<u>2,000,000</u>
23	GROSS APPROPRIATION.....	\$	43,392,800
24	Appropriated from:		
25	Federal revenues:		
26	DOL, multiple grants for safety and health		273,700
27	DOL-ETA, unemployment insurance		21,896,500

1	Federal revenues.....	555,000
2	Title XVIII Medicare.....	610,000
3	Title XIX Medicaid, facility certification fees.....	320,000
4	Special revenue funds:	
5	Aboveground storage tank fees.....	24,500
6	Boiler fee revenue.....	291,800
7	Construction code fund.....	1,182,700
8	Corporation fees.....	4,868,000
9	Elevator fees.....	304,600
10	Fees and collections/asbestos.....	45,300
11	Fire service fees.....	289,800
12	Health professions regulatory fund.....	1,157,700
13	Health systems fees.....	217,900
14	Licensing and regulation fees.....	1,802,400
15	Liquor purchase revolving fund.....	4,873,600
16	Mobile home code fund.....	256,500
17	Motor carrier fees.....	191,300
18	Pain management fees.....	171,300
19	Public utility assessments.....	1,550,800
20	Radiological health fees.....	140,000
21	Safety education and training fund.....	678,400
22	Second injury fund.....	158,900
23	Securities fees.....	973,900
24	Self-insurers security fund.....	80,800
25	Silicosis and dust disease fund.....	70,800
26	Tax tribunal fund.....	210,000
27	Underground storage tank fees.....	131,400

1	State general fund/general purpose	\$	65,200
2	Sec. 110. DEPARTMENT GRANTS		
3	Fire protection grants	\$	9,273,900
4	Fireworks safety grants		1,000,000
5	Liquor law enforcement grants		7,200,000
6	Medical marihuana operation and oversight grants		3,000,000
7	Remonumentation grants		7,300,000
8	Private grant programs		1,500,000
9	Subregional libraries state aid		451,800
10	Utility consumer representation		950,000
11	Youth low-vision program		<u>241,800</u>
12	GROSS APPROPRIATION	\$	30,917,500
13	Appropriated from:		
14	Federal revenues:		
15	Special revenue funds:		
16	Private revenues		1,500,000
17	Fire protection fund		8,500,000
18	Fireworks safety fund		1,000,000
19	Liquor license revenue		7,200,000
20	Liquor purchase revolving fund		773,900
21	Michigan medical marihuana fund		3,000,000
22	Survey and remonumentation fund		7,300,000
23	Utility consumer representation fund		950,000
24	State general fund/general purpose	\$	693,600
25	Sec. 111. ONE-TIME BASIS ONLY		
26	Nursing home survey IT system	\$	<u>2,140,300</u>
27	GROSS APPROPRIATION	\$	2,140,300

1 Appropriated from:

2 State general fund/general purpose \$ 2,140,300

3 PART 2

4 PROVISIONS CONCERNING APPROPRIATIONS

5 FOR FISCAL YEAR 2013-2014

6 GENERAL SECTIONS

7 Sec. 201. Pursuant to section 30 of article IX of the state
 8 constitution of 1963, total state spending from state resources
 9 under part 1 for fiscal year 2013-2014 is \$290,462,300.00 and state
 10 spending from state resources to be paid to local units of
 11 government for fiscal year 2013-2014 is \$29,417,500.00. The
 12 itemized statement below identifies appropriations from which
 13 spending to local units of government will occur:

14 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

15	Fire protection grants.....	\$	9,273,900
16	Fireworks safety grants.....		1,000,000
17	Liquor law enforcement.....		7,200,000
18	Medical marihuana operation and oversight grants		3,000,000
19	Remonumentation grants.....		7,300,000
20	Subregional libraries state aid.....		451,800
21	Utility consumer representation.....		950,000
22	Youth low-vision program.....		<u>241,800</u>
23	Total department of licensing and regulatory		
24	affairs	\$	29,417,500

25 Sec. 202. The appropriations authorized under this act are

1 subject to the management and budget act, 1984 PA 431, MCL 18.1101
2 to 18.1594.

3 Sec. 203. As used in this act:

4 (a) "Department" means the department of licensing and
5 regulatory affairs.

6 (b) "Director" means the director of the department.

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

8 (d) "Fiscal agencies" means Michigan house fiscal agency and
9 Michigan senate fiscal agency.

10 (e) "MAHS" means Michigan administrative hearing system.

11 (f) "MARVIN" means Michigan's automated response voice
12 interactive network.

13 (g) "Subcommittees" means all members of the subcommittees of
14 the house and senate appropriations committees with jurisdiction
15 over the budget for the department.

16 Sec. 208. The departments and agencies receiving
17 appropriations in part 1 shall use the Internet to fulfill the
18 reporting requirements of this act. This requirement may include
19 transmission of reports via electronic mail to the recipients
20 identified for each reporting requirement, or it may include
21 placement of reports on an Internet or Intranet site.

22 Sec. 209. Funds appropriated in part 1 shall not be used for
23 the purchase of foreign goods or services, or both, if
24 competitively priced and of comparable quality American goods or
25 services, or both, are available. Preference shall be given to
26 goods or services, or both, manufactured or provided by Michigan
27 businesses, if they are competitively priced and of comparable

1 quality. In addition, preference shall be given to goods or
2 services, or both, that are manufactured or provided by Michigan
3 businesses owned and operated by veterans, if they are
4 competitively priced and of comparable quality.

5 Sec. 210. The director shall take all reasonable steps to
6 ensure businesses in deprived and depressed communities compete for
7 and perform contracts to provide services or supplies, or both. The
8 director shall strongly encourage firms with which the department
9 contracts to subcontract with certified businesses in depressed and
10 deprived communities for services, supplies, or both.

11 Sec. 211. The funds appropriated in part 1 for liquor control
12 commission information technology are designated as work project
13 appropriations and shall not lapse at the end of the fiscal year.
14 Any unencumbered and unexpended funds shall continue to be
15 available for expenditure until the project has been completed.
16 Additional appropriations in future budgets are anticipated to
17 complete the work project within an estimated 5 years.

18 Sec. 212. The department and agencies receiving appropriations
19 in part 1 shall receive and retain copies of all reports funded
20 from appropriations in part 1. Federal and state guidelines for
21 short-term and long-term retention of records shall be followed.
22 The department may electronically retain copies or reports unless
23 otherwise required by federal and state guidelines.

24 Sec. 215. The department shall not take disciplinary action
25 against an employee for communicating with a member of the
26 legislature or his or her staff.

27 Sec. 216. Not later than November 30, the state budget office

1 shall prepare and transmit a report that provides for estimates of
2 the total general fund/general purpose appropriation lapses at the
3 close of the prior fiscal year. This report shall summarize the
4 projected year-end general fund/general purpose appropriation
5 lapses by major departmental program or program areas. The report
6 shall be transmitted to the state budget office, the chairpersons
7 of the senate and house appropriations committees, and the senate
8 and house fiscal agencies.

9 Sec. 218. The departments and agencies receiving
10 appropriations in part 1 shall prepare a report on out-of-state
11 travel expenses not later than January 1 of each year. The travel
12 report shall be a listing of all travel by classified and
13 unclassified employees outside this state in the immediately
14 preceding fiscal year that was funded in whole or in part with
15 funds appropriated in the department's budget. The report shall be
16 submitted to the house and senate appropriations committee, the
17 house and senate fiscal agencies, and the state budget director.
18 The report shall include the following information:

19 (a) The dates of each travel occurrence.

20 (b) The total transportation and related costs of each travel
21 occurrence, including the proportion funded with state general
22 fund/general purpose revenues, the proportion funded with state
23 restricted revenues, the proportion funded with federal revenues,
24 and the proportion funded with other revenues.

25 Sec. 219. No later than April 1, the department shall submit
26 to the subcommittees and the fiscal agencies a report pertaining to
27 the following information:

1 (a) The amount, in square footage, of office space paid for
2 with the appropriation in part 1 for both state-owned and leased
3 office space, respectively, during the previous fiscal year.

4 (b) The amount, in square footage, of office space actually
5 utilized by the department for both state-owned and leased office
6 space, respectively, during the previous fiscal year.

7 (c) The amount of office space the department estimates will
8 be utilized during the current and subsequent fiscal years.

9 Sec. 220. The department may carry into the succeeding fiscal
10 year unexpended federal pass-through funds to local institutions
11 and governments that do not require additional state matching
12 funds. Federal pass-through funds to local institutions and
13 governments that are received in amounts in addition to those
14 included in part 1 and that do not require additional state
15 matching funds are appropriated for the purposes intended. Within
16 14 days after the receipt of federal pass-through funds, the
17 department shall notify the house and senate chairpersons of the
18 subcommittees, the fiscal agencies, and the state budget director
19 of pass-through funds appropriated under this section.

20 Sec. 221. Funds appropriated in part 1 shall not be used by a
21 principal executive department, state agency, or authority to hire
22 a person to provide legal services that are the responsibility of
23 the attorney general. This prohibition does not apply to legal
24 services for bonding activities and for those outside services that
25 the attorney general authorizes.

26 Sec. 223. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$19,000,000.00 for

1 federal contingency funds. These funds are not available for
2 expenditure until they have been transferred to another line item
3 in this act under section 393(2) of the management and budget act,
4 1984 PA 431, MCL 18.1393.

5 (2) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$25,000,000.00 for state
7 restricted contingency funds. These funds are not available for
8 expenditure until they have been transferred to another line item
9 in this act under section 393(2) of the management and budget act,
10 1984 PA 431, MCL 18.1393.

11 (3) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$7,800,000.00 for local
13 contingency funds. These funds are not available for expenditure
14 until they have been transferred to another line item in this act
15 under section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

17 (4) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$400,000.00 for private
19 contingency funds. These funds are not available for expenditure
20 until they have been transferred to another line item in this act
21 under section 393(2) of the management and budget act, 1984 PA 431,
22 MCL 18.1393.

23 Sec. 225. Within 10 days after the receipt of a grant
24 appropriated in the private grant funded projects line item in part
25 1, the department shall notify the house and senate chairpersons of
26 the subcommittees, the fiscal agencies, and the state budget
27 director of the receipt of the grant, including the funding source,

1 purpose, and amount of the grant.

2 Sec. 227. (1) The department shall sell documents at a price
3 not to exceed the cost of production and distribution. Money
4 received from the sale of these documents shall revert to the
5 department. In addition to the funds appropriated in part 1, these
6 funds are available for expenditure when they are received by the
7 department of treasury. This subsection applies only for the
8 following documents:

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

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

15 (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL
16 436.1101 to 436.2303.

17 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301
18 to 125.2349; the business corporation act, 1972 PA 284, MCL
19 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
20 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
21 2008 PA 551, MCL 451.2101 to 451.2703.

22 (e) Worker's compensation health care services rules.

23 (f) Construction code manuals.

24 (g) Copies of transcripts from administrative law hearings.

25 (2) In addition to the funds appropriated in part 1, funds
26 collected by the department under sections 55, 57, 58, and 59 of
27 the administrative procedures act of 1969, 1969 PA 306, MCL 24.255,

1 24.257, 24.258, and 24.259, and section 203 of the legislative
2 council act, 1986 PA 268, MCL 4.1203, are appropriated for all
3 expenses necessary to provide for the cost of publication and
4 distribution. The funds appropriated under this section are
5 allotted for expenditure when they are received by the department
6 of treasury and shall not lapse to the general fund at the end of
7 the fiscal year.

8 Sec. 228. Unless prohibited by law, the department may accept
9 credit card or other electronic means of payment for licenses,
10 fees, or permits.

11 Sec. 229. The department shall maintain, on a publicly
12 accessible website, a department scorecard that identifies, tracks,
13 and regularly updates key metrics that are used to monitor and
14 improve the department's performance.

15 Sec. 231. The department shall cooperate with the department
16 of technology, management, and budget to maintain a searchable
17 website accessible by the public at no cost that includes, but is
18 not limited to, all of the following for each department or agency:

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

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

21 (c) Fiscal year-to-date payments to a selected vendor,
22 including the vendor name, payment date, payment amount, and
23 payment description.

24 (d) The number of active department employees by job
25 classification.

26 (e) Job specifications and wage rates.

27 Sec. 232. The department shall not develop or produce any

1 television or radio productions.

2 Sec. 234. Within 14 days after the release of the executive
3 budget recommendation, the department shall cooperate with the
4 state budget office to provide the senate and house appropriations
5 chairs, the senate and house appropriations subcommittees chairs,
6 and the senate and house fiscal agencies with an annual report on
7 estimated state restricted fund balances, state restricted fund
8 projected revenues, and state restricted fund expenditures for the
9 fiscal years ending September 30, 2013 and September 30, 2014.

10 Sec. 238. No state department or agency shall issue a request
11 for proposal (RFP) for a contract in excess of \$5,000,000.00,
12 unless the department or agency has first considered issuing a
13 request for information (RFI) or a request for qualification (RFQ)
14 relative to that contract to better enable the department or agency
15 to learn more about the market for the products or services that
16 are the subject of the future RFP. The department or agency shall
17 notify the department of technology, management, and budget of the
18 evaluation process used to determine if an RFI or RFQ was not
19 necessary prior to issuing the RFP.

20 Sec. 240. (1) It is the intent of the legislature that
21 departments and agencies receiving appropriations in part 1
22 properly account for their spending and do not use full-time
23 equated positions as placeholders for spending in other parts of
24 their budgets.

25 (2) No later than February 1, the department shall provide a
26 report to the legislature specifying the number of filled, full-
27 time equated positions in pay status within each agency receiving

1 appropriations in part 1 during the immediately preceding fiscal
2 year. When reporting on the number of filled, full-time equated
3 positions in pay status, the department shall provide the maximum
4 number of filled, full-time equated positions in pay status by
5 appropriation line item in the last pay period of each quarter of
6 the immediately preceding fiscal year. The report shall also
7 include a list of all funded, full-time equated positions by
8 position title.

9 Sec. 250. It is the intent of the legislature that the
10 department continue the prefunding of other postemployment benefits
11 for state employees hired before January 1, 2012, with the amounts
12 appropriated in part 1 pursuant to the amendments made by 2011 PA
13 264 to the state employees' retirement act, 1943 PA 240, MCL 38.1
14 to 38.69.

15 **REGULATORY**

16 Sec. 301. (1) The appropriation in part 1 for fire protection
17 grants shall be appropriated to cities, villages, and townships
18 with state-owned facilities for fire services, instead of taxes, in
19 accordance with 1977 PA 289, MCL 141.951 to 141.956.

20 (2) Cities, villages, and townships with state-owned
21 facilities shall report to the department no later than January 1
22 on a form developed by the department in order to be eligible to
23 receive funds appropriated in part 1 for fire protection grants.
24 The report shall indicate all of the following:

25 (a) The ability to respond to state facilities in their
26 service area.

(b) The cost for being prepared and able to respond to fire service situations during the most recent fiscal year.

(c) The fire-related activities of police and fire departments on state property.

(d) The costs of these activities.

(e) The expenditures from fire protection grants.

(3) The department shall prepare a summary of the local submissions and provide it to the subcommittees, fiscal agencies, and the state budget director by March 31.

Sec. 302. Money appropriated under this act for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed

Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

Sec. 303. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the

1 Michigan administrative code and as determined under section 8 of
2 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
3 408.816, that are unexpended at the end of the fiscal year shall
4 carry forward to the subsequent fiscal year.

5 Sec. 304. The department may make available to interested
6 entities otherwise unavailable customized listings of
7 nonconfidential information in its possession, such as names and
8 addresses of licensees. The department may establish and collect a
9 reasonable charge to provide this service. The revenue received
10 from this service shall be used to offset expenses to provide the
11 service. Any balance of this revenue collected and unexpended at
12 the end of the fiscal year shall revert to the appropriate
13 restricted fund.

14 Sec. 305. (1) It is the intent of the legislature that the
15 department expend the amount appropriated in part 1 for fireworks
16 safety grants to local units of government to defray inspection
17 costs associated with the enforcement of the Michigan fireworks
18 safety act, 2011 PA 256, MCL 28.451 to 28.471.

19 (2) In order to be eligible to receive funds appropriated in
20 part 1 for a fireworks safety grant, a local unit of government
21 shall report to the department no later than January 1 on a form
22 developed by the department. The report shall indicate all of the
23 following:

24 (a) The annual costs of inspections associated with the
25 enforcement of the Michigan fireworks safety act, 2011 PA 256, MCL
26 28.451 to 28.471.

27 (b) The annual costs of enforcement activities associated with

1 the enforcement of the Michigan fireworks safety act, 2011 PA 256,
2 MCL 28.451 to 28.471.

3 (3) No later than February 1, the department shall submit a
4 report to the subcommittees and fiscal agencies providing all of
5 the following information:

6 (a) The total amount of grants made to local units of
7 government from funds appropriated in part 1 for fireworks safety
8 grants during the preceding fiscal year.

9 (b) Each local unit of government awarded a grant from the
10 funds appropriated in part 1 for fireworks safety grants and the
11 amount of each grant that was awarded during the preceding fiscal
12 year.

13 Sec. 325. No later than February 15, the department shall
14 submit a report to the subcommittees and fiscal agencies providing
15 the following information:

16 (a) The number of honorably discharged veterans, individually
17 or if a majority interest of a corporation or limited liability
18 company, that were exempted from paying licensure, registration,
19 filing, or any other fees collected under each licensure or
20 regulatory program administered by the bureau of construction codes
21 and the corporations, securities, and commercial licensing bureau
22 during the preceding fiscal year.

23 (b) The specific fees and total amount of revenue exempted
24 under each licensure or regulatory program administered by the
25 bureau of construction codes and the corporations, securities, and
26 commercial licensing bureau during the preceding fiscal year.

27 (c) The actual costs of providing licensing and other

1 regulatory services to veterans exempted from paying licensure,
2 registration, filing, or any other fees and a description of how
3 these costs were calculated.

4 (d) The estimated amount of revenue that will be exempted
5 under each licensure or regulatory program administered by the
6 bureau of construction codes and the corporations, securities, and
7 commercial licensing bureau in both the current and subsequent
8 fiscal years and a description of how the exempted revenue was
9 estimated.

10 Sec. 330. Funds earned or authorized by the DOL in excess of
11 the gross appropriation in part 1 for the unemployment insurance
12 agency from the DOL are appropriated and may be expended for
13 staffing and related expenses incurred in the operation of its
14 programs. These funds may be spent after the department notifies
15 the state budget director and the subcommittees of the purpose and
16 amount of each grant award.

17 Sec. 332. Until the integrated system project is complete, the
18 unemployment insurance agency shall provide the subcommittees,
19 fiscal agencies, and state budget office with quarterly status
20 reports on the development of the agency's integrated system
21 project. The quarterly status reports shall include, but not be
22 limited to, a summary of the expenditures for the project, project
23 budget information, a summary of the tasks completed and milestones
24 reached to date, the percentage of the total project completed to
25 date, and a summary of the tasks anticipated to be completed in the
26 subsequent quarter.

27 Sec. 333. The department shall report quarterly to the members

1 of the house and senate committees on appropriations, the fiscal
2 agencies, and the state budget director on the percentage of
3 unemployment claimants that meet the certification requirements for
4 receiving benefits by using the Internet MARVIN system or any
5 application developed for that purpose. The department shall
6 implement improvements to the Internet MARVIN system that promote
7 greater ease of access and security with a goal of reaching 80% of
8 users certifying by using the Internet MARVIN system or another
9 system that reduces staff face time and MARVIN telephone system
10 usage.

11 Sec. 341. The department shall not promulgate or adopt a rule
12 more stringent than the applicable federal standard unless
13 specifically authorized by statute.

14 Sec. 368. (1) No later than March 1, the department shall
15 submit a report to the subcommittees and fiscal agencies pertaining
16 to licensing and regulatory programs during the previous fiscal
17 year for the following agencies:

18 (a) Public service commission.

19 (b) Liquor control commission.

20 (c) Bureau of construction codes.

21 (d) Corporations, securities, and commercial licensing bureau.

22 (e) Bureau of health care services.

23 (f) Michigan occupational safety and health administration.

24 (2) The report shall provide, but is not limited to, the
25 following information for each agency in subsection (1):

26 (a) Revenue generated by and expenditures disbursed for each
27 regulatory product.

1 (b) Number of applications, both initial and renewal, for each
2 regulatory product.

3 (c) Number of applications, both initial and renewal, approved
4 for each regulatory product.

5 (d) Number of applications, both initial and renewal, denied
6 for each regulatory product.

7 (e) Average amount of time, both tolled and un-tolled, to
8 approve or deny applications, both initial and renewal, for each
9 regulatory product.

10 (f) Number of examinations proctored for initial applications
11 for each regulatory product, if applicable.

12 (g) Number of complaints received pertaining to each regulated
13 activity.

14 (h) Number of investigations opened pertaining to each
15 regulated activity.

16 (i) Number of investigations closed pertaining to each
17 regulated activity.

18 (j) Average amount of time to close investigations pertaining
19 to each regulated activity.

20 (k) Number of enforcement actions pertaining to each regulated
21 activity.

22 (3) As used in subsection (2), "regulatory products" means
23 licensure, certification, registration, permitting, approval, or
24 any other regulatory service provided by the agencies specified in
25 subsection (1) for occupations, facilities, entities, industries,
26 or activities regulated by the agencies specified in subsection
27 (1).

1 Sec. 375. Revenues collected by the department pursuant to the
2 uniform securities act (2002), 2008 PA 551, MCL 451.2101 to
3 451.2703, the debt management act, 1975 PA 148, MCL 451.411 to
4 451.437, and the living care disclosure act, 1976 PA 440, MCL
5 554.801 to 554.844, that are unexpended at the end of the fiscal
6 year shall carry forward to the subsequent fiscal year and not
7 lapse to the general fund.

8 Sec. 380. Funds remaining in the homeowner construction lien
9 recovery fund are appropriated to the department for payment of
10 court-ordered homeowner construction lien recovery fund judgments
11 entered prior to August 23, 2010. Pursuant to available funds, the
12 payment of final judgments shall be made in the order in which the
13 final judgments were entered and began accruing interest.

14 Sec. 390. (1) The Michigan tax tribunal within the Michigan
15 administrative hearing system shall submit a report containing all
16 of the following for the previous fiscal year:

17 (a) The number of cases heard and the number of cases decided
18 by MAHS hearings officers, contractual hearings officers, and
19 tribunal members during the fiscal year.

20 (b) The number of case filings and dispositions and the number
21 of active and pending cases before the small claims division and
22 the entire tribunal.

23 (c) The average and maximum time elapsed, both tolled and
24 untolled, between case filings and final dispositions.

25 (d) The amount and percentage of tax tribunal fees generated
26 by motions to amend.

27 (2) The report required under subsection (1) shall be

1 submitted to the subcommittees, fiscal agencies, and state budget
2 office not later than November 1.

3 Sec. 610. (1) The appropriation in part 1 for the bureau of
4 services for blind persons includes funds for case services. These
5 funds may be used for tuition payments for blind clients.

6 (2) Revenue collected by the bureau of services for blind
7 persons and from private and local sources that is unexpended at
8 the end of the fiscal year may carry forward to the subsequent
9 fiscal year.

10 Sec. 611. The bureau of services for blind persons shall work
11 collaboratively with service organizations and government entities
12 to identify qualified match dollars to maximize use of available
13 federal vocational rehabilitation funds.

14 Sec. 613. (1) The funds appropriated in part 1 for a regional
15 or subregional library shall not be released until a budget for
16 that regional or subregional library has been approved by the
17 department for expenditures for library services directly serving
18 the blind and persons with disabilities.

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

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

8 Sec. 615. The department may provide and enter into agreements
9 to provide general services, training, meetings, information,
10 special equipment, software, facility use, and technical consulting
11 services to other principal executive departments, state agencies,
12 local units of government, the judicial branch of government, other
13 organizations, and patrons of department facilities. The department
14 may charge fees for these services that are reasonably related to
15 the cost of providing the services. In addition to the funds
16 appropriated in part 1, funds collected by the department for these
17 services are appropriated for all expenses necessary. The funds
18 appropriated under this section are allotted for expenditure when
19 they are received by the department of treasury.

20 Sec. 714. (1) The department shall report by April 1 to the
21 subcommittees, fiscal agencies, and state budget director on the
22 timeliness of nursing facility complaint investigations and the
23 number of allegations that are substantiated on an annual basis.
24 The report shall consist of the number of allegations filed by
25 consumers and the number of facility-reported incidents. The
26 department shall make every effort to contact every complainant and
27 the subject of a complaint during an investigation.

1 (2) The department shall gather information on its most
2 frequently cited complaint deficiencies for the prior 3 fiscal
3 years and include that information in the report required under
4 subsection (1). The department shall determine whether there is an
5 increase in the number of citations from 1 year to the next and
6 assess the cause of the increase, if any, and whether education and
7 training of nursing facility staff or department staff are needed.

8 (3) The department shall make the report required under this
9 section available to the public at no cost on its website.

10 Sec. 726. (1) The department shall submit a report by January
11 1 to the standing committees on appropriations of the senate and
12 house of representatives, the fiscal agencies, and the state budget
13 director that includes all of the following information for the
14 prior fiscal year regarding the medical marihuana program under the
15 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
16 333.26430:

17 (a) The number of initial applications received.

18 (b) The number of initial applications approved and the number
19 of initial applications denied.

20 (c) The average amount of time, from receipt to approval or
21 denial, to process an initial application.

22 (d) The number of renewal applications received.

23 (e) The number of renewal applications approved and the number
24 of renewal applications denied.

25 (f) The average amount of time, from receipt to approval or
26 denial, to process a renewal application.

27 (g) The percentage of initial applications not approved or

1 denied within the time requirements established in section 6 of the
2 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

3 (h) The percentage of renewal applications not approved or
4 denied within the time requirements established in section 6 of the
5 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

6 (i) The percentage of registry cards for approved initial
7 applications not issued within the time requirements established in
8 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
9 333.26426.

10 (j) The percentage of registry cards for approved renewal
11 applications not issued within the time requirements established in
12 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
13 333.26426.

14 (k) The amount collected from the medical marihuana program
15 application and renewal fees authorized in section 5 of the
16 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

17 (l) The costs of administering the medical marihuana program
18 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
19 to 333.26430.

20 (2) If the required fees are shown to be insufficient to
21 offset all expenses of implementing and administering the medical
22 marihuana program, the department shall review and revise the
23 application and renewal fees accordingly to ensure that all
24 expenses of implementing and administering the medical marihuana
25 program are offset as is permitted under section 5 of the Michigan
26 medical marihuana act, 2008 IL 1, MCL 333.26425.

27 Sec. 727. If the revenue collected by the department for

1 health systems administration or radiological health administration
2 and projects from fees and collections exceeds the amount
3 appropriated in part 1, the revenue may be carried forward into the
4 subsequent fiscal year. The revenue carried forward under this
5 section shall be used as the first source of funds in the
6 subsequent fiscal year.

7 Sec. 728. (1) Not later than October 30, the department shall
8 prepare a report that provides the number of registry
9 identification cards issued to or renewed for patients residing in
10 each county during the previous fiscal year, under the Michigan
11 medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. The
12 department shall submit this report to the state budget director,
13 the subcommittees, and the fiscal agencies.

14 (2) The department shall expend the funds appropriated in part
15 1 for medical marihuana operation and oversight grants for grants
16 to county law enforcement departments for the operation and
17 oversight of the Michigan medical marihuana program pursuant to
18 section 6(1) of the Michigan medical marihuana act, 2008 IL 1, MCL
19 333.26426. These grants shall be distributed proportionately based
20 on the number of registry identification cards issued to or renewed
21 for the residents of each county whose county law enforcement
22 department applied for a grant under subsection (3).

23 (3) In order to be eligible to receive a grant under this
24 subsection, a county law enforcement department must apply no later
25 than October 1 and agree to report how the grant was expended and
26 provide that report to the department no later than September 15.
27 The department shall submit a report no later than September 30 to

1 the state budget director, the subcommittees, and the fiscal
2 agencies detailing the amounts by recipient and the reported uses
3 of the grants.

4 (4) County law enforcement departments may distribute
5 discretionary grants made under subsection (2) to municipal law
6 enforcement agencies for the operation and oversight of the
7 Michigan medical marihuana program pursuant to section 6(1) of the
8 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
9 county law enforcement department distributes a discretionary grant
10 in this manner, that county law enforcement department shall
11 require the receiving agency to provide a report on how that grant
12 was spent. Reports from municipal law enforcement agencies shall be
13 included as part of the report submitted to the department as
14 required in subsection (3).

15 Sec. 731. (1) The bureau of health care services shall prepare
16 a report detailing the number of facilities, locations, and beds
17 for each type of health facility licensed, certified, inspected, or
18 otherwise regulated by the bureau. The report shall also include
19 the bureau's cost to license, certify, inspect, or otherwise
20 regulate each type of facility. The data required by this
21 subsection shall be collected and reported on acute care hospitals,
22 home health agencies, hospices, hospice residences, psychiatric
23 units in general hospitals, psychiatric hospitals, partial
24 hospitalization psychiatric programs, outpatient surgical
25 facilities, freestanding surgical outpatient facilities,
26 laboratories, end stage renal disease facilities, rural health
27 clinics, substance abuse programs, long-term care facilities

1 including nursing homes, hospital long-term care units, county
2 medical care facilities, and radiation machines.

3 (2) By February 1, the bureau of health care services shall
4 provide the governor and the legislature an updated schedule of
5 fees to be charged by the bureau for regulating health facilities.
6 The updated fee schedule proposed by the bureau shall be based on
7 the schedule submitted previously, but include updated figures from
8 the prior fiscal year. It shall also bear a direct relationship to
9 the cost of the service or act, including overhead expenses. The
10 report shall also recommend the necessary statutory and
11 administrative rule changes necessary to implement the recommended
12 fee schedule.

13 Sec. 732. From the appropriations made in part 1 for the
14 bureau of health systems, at least \$530,000.00 must be expended for
15 activities related to the inspection and licensing of freestanding
16 surgical outpatient facilities.

17 **ONE-TIME ONLY**

18 Sec. 801. (1) The funds appropriated in part 1 for the nursing
19 home survey IT system are to be used to fund the additional costs
20 associated to comply with the requirements of sections 20155 and
21 20155a of the public health code, 1978 PA 368, MCL 333.20155 and
22 333.20155a.

23 (2) It is the intent of the legislature that the
24 appropriations in part 1 for the nursing home survey IT system is
25 1-time only and is a sufficient amount to fund the project to
26 completion and that no future appropriations for this project will

1 be required.

2 PART 2A
3 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
4 FOR FISCAL YEAR 2014-2015

5 **GENERAL SECTIONS**

6 Sec. 1201. It is the intent of the legislature to provide
7 appropriations for the fiscal year ending on September 30, 2015 for
8 the line items listed in part 1. The fiscal year 2014-2015
9 appropriations are anticipated to be the same as those for fiscal
10 year 2013-2014, except that the line items will be adjusted for
11 changes in caseload and related costs, federal fund match rates,
12 economic factors, and available revenue. These adjustments will be
13 determined after the January 2014 consensus revenue estimating
14 conference.

15 Sec. 1202. It is the intent of the legislature that the
16 department identify the amounts for normal retirement costs and
17 legacy retirement costs for the fiscal year ending on September 30,
18 2015 for the line items listed in part 1.