

SUBSTITUTE FOR
SENATE BILL NO. 836

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2023; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	19.0
Full-time equated classified positions	1,537.5

1	GROSS APPROPRIATION		\$ 508,745,500
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and		
4	intradepartmental transfers		47,026,900
5	ADJUSTED GROSS APPROPRIATION		\$ 461,718,600
6	Federal revenues:		
7	Total federal revenues		29,659,200
8	Special revenue funds:		
9	Total local revenues		0
10	Total private revenues		0
11	Total other state restricted revenues		250,045,900
12	State general fund/general purpose		\$ 182,013,500
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
14	SUPPORT		
15	Full-time equated unclassified positions	19.0	
16	Full-time equated classified positions	84.0	
17	Unclassified salaries--FTEs	19.0	\$ 2,795,100
18	Administrative services--FTEs	65.0	8,813,300
19	Executive director programs--FTEs	16.0	2,944,900
20	FOIA coordination--FTEs	3.0	338,600
21	Property management		8,021,100
22	Worker's compensation		264,100
23	GROSS APPROPRIATION		\$ 23,177,100
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from MDIFS, accounting services		150,000
27	Federal revenues:		
28	EPA, underground storage tanks		30,500

1	HHS-Medicaid, certification of health care	
2	providers and suppliers	425,500
3	HHS-Medicare, certification of health care	
4	providers and suppliers	621,800
5	Special revenue funds:	
6	Aboveground storage tank fees	95,400
7	Accountancy enforcement fund	66,400
8	Boiler inspection fund	290,000
9	Builder enforcement fund	103,300
10	Construction code fund	830,500
11	Corporation fees	4,489,200
12	Elevator fees	310,900
13	Fire alarm fees	7,500
14	Fire safety standard and enforcement fund	2,100
15	Fire service fees	463,400
16	Fireworks safety fund	61,200
17	Health professions regulatory fund	1,748,800
18	Health systems fees	252,400
19	Licensing and regulation fund	965,000
20	Liquor license revenue	340,000
21	Liquor purchase revolving fund	3,252,000
22	Marihuana registry fund	833,000
23	Marihuana regulation fund	457,100
24	Marihuana regulatory fund	697,800
25	Michigan unarmed combat fund	5,900
26	Mobile home code fund	287,600
27	Nurse professional fund	39,800
28	PMECSEMA fund	47,400

1	Property development fees			7,600
2	Public utility assessments			3,233,500
3	Real estate appraiser education fund			2,600
4	Real estate education fund			11,600
5	Real estate enforcement fund			11,900
6	Refined petroleum fund			173,300
7	Restructuring mechanism assessments			32,200
8	Securities fees			1,561,900
9	Securities investor education and training fund			9,400
10	Security business fund			7,200
11	Survey and remonumentation fund			98,800
12	Tax tribunal fund			825,300
13	Utility consumer representation fund			54,000
14	State general fund/general purpose		\$	273,300
15	Sec. 103. PUBLIC SERVICE COMMISSION			
16	Full-time equated classified positions	163.7		
17	Public service commission--FTEs	163.7	\$	34,168,900
18	GROSS APPROPRIATION		\$	34,168,900
19	Appropriated from:			
20	Federal revenues:			
21	DOT, gas pipeline safety			2,665,000
22	Special revenue funds:			
23	Public utility assessments			30,921,900
24	Restructuring mechanism assessments			582,000
25	State general fund/general purpose		\$	0
26	Sec. 104. LIQUOR CONTROL COMMISSION			
27	Full-time equated classified positions	127.0		
28	Liquor licensing and enforcement--FTEs	100.0	\$	16,833,800

1	Management support services--FTEs	27.0	4,767,700
2	GROSS APPROPRIATION	\$	21,601,500
3	Appropriated from:		
4	Special revenue funds:		
5	Direct shipper enforcement revolving fund		309,600
6	Liquor control enforcement and license		
7	investigation revolving fund		175,000
8	Liquor license fee enhancement fund		76,400
9	Liquor license revenue		7,961,900
10	Liquor purchase revolving fund		13,078,600
11	State general fund/general purpose	\$	0
12	Sec. 105. OCCUPATIONAL REGULATION		
13	Full-time equated classified positions	850.3	
14	Adult foster care and camps licensing and		
15	regulation--FTEs	87.7	\$ 13,777,600
16	Bureau of community and health systems		
17	administration--FTEs	14.0	2,448,500
18	Bureau of construction codes--FTEs	115.4	24,780,500
19	Bureau of fire services--FTEs	69.1	12,640,600
20	Bureau of professional licensing--FTEs	178.2	41,067,700
21	Childcare licensing and regulation--FTEs	113.6	20,648,400
22	Corporations, securities, and commercial		
23	licensing bureau--FTEs	93.4	15,520,500
24	Health facilities regulation--FTEs	170.9	33,449,000
25	Nurse aide program--FTEs	8.0	1,780,800
26	Urban search and rescue		1,000,000
27	GROSS APPROPRIATION	\$	167,113,600
28	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG from MDE, child care licensing	20,146,700
3	Federal revenues:	
4	DHS, fire training systems	528,000
5	DOT, hazardous materials training and planning	20,000
6	EPA, underground storage tanks	820,600
7	HHS-Medicaid, certification of health care	
8	providers and suppliers	8,992,200
9	HHS-Medicare, certification of health care	
10	providers and suppliers	14,468,300
11	Special revenue funds:	
12	Aboveground storage tank fees	234,100
13	Accountancy enforcement fund	780,300
14	Adult foster care facilities license fund	767,600
15	Boiler inspection fund	2,983,900
16	Builder enforcement fund	644,000
17	Child care home and center licenses fund	501,700
18	Construction code fund	11,472,300
19	Corporation fees	8,193,300
20	Division on deafness fund	73,400
21	Elevator fees	3,964,700
22	Fire alarm fees	135,900
23	Fire safety standard and enforcement fund	281,200
24	Fire service fees	2,709,100
25	Fireworks safety fund	1,522,600
26	Health professions regulatory fund	25,713,500
27	Health systems fees	4,019,700
28	Licensing and regulation fund	12,838,100

1	Liquor purchase revolving fund		151,100
2	Marihuana regulatory fund		500,000
3	Mobile home code fund		2,110,800
4	Nurse aid registration fund		597,500
5	Nurse professional fund		1,967,200
6	Nursing home administrative penalties		100,000
7	PMECSEMA fund		1,909,800
8	Property development fees		192,600
9	Real estate appraiser education fund		65,500
10	Real estate education fund		347,700
11	Real estate enforcement fund		554,400
12	Refined petroleum fund		2,704,100
13	Securities fees		5,273,900
14	Securities investor education and training fund		497,000
15	Security business fund		238,200
16	Survey and remonumentation fund		892,600
17	State general fund/general purpose	\$	27,200,000
18	Sec. 106. CANNABIS REGULATORY AGENCY		
19	Full-time equated classified positions	136.2	
20	Medical marihuana facilities licensing and		
21	tracking--FTEs	38.3	6,546,100
22	Medical marihuana program--FTEs	28.4	5,031,900
23	Recreational marihuana regulation--FTEs	69.5	13,834,100
24	GROSS APPROPRIATION	\$	25,412,100
25	Appropriated from:		
26	Federal revenues:		
27	Special revenue funds:		
28	Marihuana registry fund		5,031,900

1	Marihuana regulation fund		13,834,100
2	Marihuana regulatory fund		6,546,100
3	Total other state restricted revenues		25,412,100
4	State general fund/general purpose	\$	0
5	Sec. 107. MICHIGAN OFFICE OF ADMINISTRATIVE		
6	HEARINGS AND RULES		
7	Full-time equated classified positions	163.4	
8	Michigan office of administrative hearings and		
9	rules--FTEs	163.4	\$ 38,965,000
10	GROSS APPROPRIATION	\$	38,965,000
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG revenues, administrative hearings and rules		26,730,200
14	Special revenue funds:		
15	Construction code fund		26,700
16	Corporation fees		4,373,600
17	Health professions regulatory fund		860,200
18	Health systems fees		165,100
19	Licensing and regulation fund		1,203,300
20	Liquor purchase revolving fund		481,000
21	Marihuana regulation fund		100,000
22	Marihuana regulatory fund		252,000
23	Public utility assessments		2,490,700
24	Securities fees		1,038,800
25	Tax tribunal fund		847,600
26	State general fund/general purpose	\$	395,800
27	Sec. 108. COMMISSIONS		
28	Full-time equated classified positions	12.9	

1	Michigan indigent defense commission--FTEs	12.9	\$	2,624,500
2	Michigan unarmed combat commission			126,200
3	GROSS APPROPRIATION		\$	2,750,700
4	Appropriated from:			
5	Special revenue funds:			
6	Michigan unarmed combat fund			126,200
7	State general fund/general purpose		\$	2,624,500
8	Sec. 109. DEPARTMENT GRANTS			
9	Firefighter training grants		\$	2,300,000
10	Liquor law enforcement grants			8,400,000
11	Medical marihuana operation and oversight			
12	grants			3,000,000
13	Michigan indigent defense commission grants			149,055,900
14	Remonumentation grants			6,800,000
15	Utility consumer representation			850,000
16	GROSS APPROPRIATION		\$	170,405,900
17	Appropriated from:			
18	Special revenue funds:			
19	Fireworks safety fund			2,300,000
20	Liquor license revenue			8,400,000
21	Local indigent defense reimbursement			300,000
22	Marihuana registry fund			3,000,000
23	Survey and remonumentation fund			6,800,000
24	Utility consumer representation fund			850,000
25	State general fund/general purpose		\$	148,755,900
26	Sec. 110. INFORMATION TECHNOLOGY			
27	Information technology services and projects		\$	19,807,100
28	GROSS APPROPRIATION		\$	19,807,100

1	Appropriated from:	
2	Federal revenues:	
3	DOT, gas pipeline safety	45,000
4	EPA, underground storage tanks	100,200
5	HHS-Medicaid, certification of health care	
6	providers and suppliers	358,300
7	HHS-Medicare, certification of health care	
8	providers and suppliers	583,800
9	Special revenue funds:	
10	Aboveground storage tank fees	34,600
11	Accountancy enforcement fund	1,100
12	Boiler inspection fund	328,100
13	Construction code fund	1,290,900
14	Corporation fees	4,240,100
15	Elevator fees	476,900
16	Fire safety standard and enforcement fund	3,000
17	Fire service fees	538,300
18	Fireworks safety fund	52,000
19	Health professions regulatory fund	1,854,100
20	Health systems fees	298,200
21	Licensing and regulation fund	1,601,700
22	Liquor purchase revolving fund	3,518,000
23	Marihuana registry fund	447,100
24	Marihuana regulation fund	361,600
25	Marihuana regulatory fund	741,300
26	Michigan unarmed combat fund	6,800
27	Mobile home code fund	176,100
28	PMECSEMA fund	38,600

1	Public utility assessments		1,242,900
2	Real estate appraiser education fund		1,000
3	Real estate education fund		1,900
4	Refined petroleum fund		170,800
5	Restructuring mechanism assessments		28,100
6	Securities fees		244,000
7	Securities investor education and training fund		1,000
8	Survey and remonumentation fund		74,100
9	Tax tribunal fund		183,500
10	State general fund/general purpose	\$	764,000
11	Sec. 111. ONE-TIME APPROPRIATIONS		
12	Corporations online filing modernization	\$	2,343,600
13	Michigan saves		1,000,000
14	Michigan task force on foreign trained medical		
15	professional licensing		1,000,000
16	Urban search and rescue		1,000,000
17	GROSS APPROPRIATION	\$	5,343,600
18	Appropriated from:		
19	Special revenue funds:		
20	Corporation fees		2,343,600
21	Health professions regulatory fund		1,000,000
22	State general fund/general purpose	\$	2,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2022-2023

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under

part 1 for fiscal year 2022-2023 is \$432,059,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$169,555,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Firefighter training grants	\$	2,300,000
Liquor law enforcement grants		8,400,000
Marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		149,055,900
Remonumentation grants		6,800,000
TOTAL	\$	169,555,900

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

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

(b) "DHS" means the United States Department of Homeland Security.

(c) "Director" means the director of the department.

(d) "DOT" means the United States Department of Transportation.

(e) "EPA" means the United States Environmental Protection Agency.

(f) "FOIA" means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(g) "FTE" means full-time equated.

(h) "HHS" means the United States Department of Health and

1 Human Services.

2 (i) "IDG" means interdepartmental grant.

3 (j) "MDE" means the Michigan department of education.

4 (k) "MDIFS" means the department of insurance and financial
5 services.

6 (l) "PMECSEMA" means pain management education and controlled
7 substances electronic monitoring and antidiversion.

8 (m) "Subcommittees" means the subcommittees of the house and
9 senate appropriations committees with jurisdiction over the budget
10 for the department.

11 Sec. 204. The department shall use the internet to fulfill the
12 reporting requirements of this part. This requirement shall include
13 transmission of reports via email to the recipients identified for
14 each reporting requirement and it shall include placement of
15 reports on an internet site.

16 Sec. 205. To the extent permissible under section 261 of the
17 management and budget act, 1984 PA 431, MCL 18.1261, all of the
18 following apply to funds appropriated in part 1:

19 (a) The funds must not be used for the purchase of foreign
20 goods or services, or both, if competitively priced and of
21 comparable quality American goods or services, or both, are
22 available.

23 (b) Preference shall be given to goods or services, or both,
24 manufactured or provided by Michigan businesses, if they are
25 competitively priced and of comparable quality.

26 (c) Preference must be given to goods or services, or both,
27 that are manufactured or provided by Michigan businesses owned and
28 operated by veterans, if they are competitively priced and of
29 comparable quality.

1 Sec. 206. The department shall not take disciplinary action
2 against an employee of the department or departmental agency in the
3 state classified civil service because the employee communicates
4 with a member of the legislature or his or her staff, unless the
5 communication is prohibited by law and the department or agency
6 taking disciplinary action is exercising its authority as provided
7 by law.

8 Sec. 207. The department shall prepare a report on out-of-
9 state travel expenses not later than January 1 of each year. The
10 travel report shall be a listing of all travel by classified and
11 unclassified employees outside this state in the immediately
12 preceding fiscal year that was funded in whole or in part with
13 funds appropriated in the department's budget. The report shall be
14 submitted to the senate and house appropriations committees, the
15 senate and house fiscal agencies, and the state budget office. The
16 report shall include the following information:

17 (a) The dates of each travel occurrence.

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

23 Sec. 208. Funds appropriated in part 1 may be used by a
24 principal executive department, state agency, or authority to hire
25 a person to provide legal services that the attorney general has
26 the responsibility or the discretion to provide. A principal
27 executive department, state agency, or authority may request
28 reimbursement from the office of the attorney general for costs
29 incurred for the purposes of hiring outside counsel to provide

1 legal services.

2 Sec. 209. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house
9 appropriations committees and the senate and house fiscal agencies.

10 Sec. 211. The department shall cooperate with the department
11 of technology, management, and budget to maintain a searchable
12 website accessible by the public at no cost that includes, but is
13 not limited to, all of the following for the department:

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

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

16 (c) Fiscal year-to-date payments to a selected vendor,
17 including the vendor name, payment date, payment amount, and
18 payment description.

19 (d) The number of active department employees by job
20 classification.

21 (e) Job specifications and wage rates.

22 Sec. 212. Within 14 days after the release of the executive
23 budget recommendation, the department shall cooperate with the
24 state budget office to provide the chairpersons of the senate and
25 house appropriations committees, the chairpersons of the
26 subcommittees, and the senate and house fiscal agencies with an
27 annual report on estimated state restricted fund balances, state
28 restricted fund projected revenues, and state restricted fund
29 expenditures for the prior 2 fiscal years.

1 Sec. 213. The department shall maintain, on a publicly
2 accessible website, a department scorecard that identifies, tracks,
3 and regularly updates key metrics that are used to monitor and
4 improve the department's performance.

5 Sec. 214. Total authorized appropriations from all sources
6 under part 1 for legacy costs for the fiscal year ending September
7 30, 2023 are estimated at \$40,356,700.00. From this amount, total
8 agency appropriations for pension-related legacy costs are
9 estimated at \$24,501,800.00. Total agency appropriations for
10 retiree health care legacy costs are estimated at \$15,854,900.00.

11 Sec. 215. To the extent permissible under the management and
12 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
13 take all reasonable steps to ensure businesses in deprived and
14 depressed communities compete for and perform contracts to provide
15 services or supplies, or both. The director shall strongly
16 encourage firms with which the department contracts to subcontract
17 with certified businesses in depressed and deprived communities for
18 services, supplies, or both.

19 Sec. 216. (1) On a quarterly basis, the department shall
20 report to the senate and house appropriations committees, the
21 subcommittees, and the senate and house fiscal agencies the
22 following information:

23 (a) The number of FTEs in pay status by type of staff and
24 civil service classification.

25 (b) A comparison by line item of the number of FTEs authorized
26 from funds appropriated in part 1 to the actual number of FTEs
27 employed by the department at the end of the reporting period.

28 (2) By March 1 of the current fiscal year, the department
29 shall report to the senate and house appropriations committees, the

1 subcommittees, and the senate and house fiscal agencies the
2 following information:

3 (a) Number of employees that were engaged in remote work in
4 2022.

5 (b) Number of employees authorized to work remotely and the
6 actual number of those working remotely in the current reporting
7 period.

8 (c) Estimated net cost savings achieved by remote work.

9 (d) Reduced use of office space associated with remote work.

10 Sec. 217. Appropriations in part 1 shall, to the extent
11 possible by the department, not be expended until all existing work
12 project authorization available for the same purposes is exhausted.

13 Sec. 218. If the state administrative board, acting under
14 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
15 appropriated under part 1, the legislature may, by a concurrent
16 resolution adopted by a majority of the members elected to and
17 serving in each chamber, intertransfer funds within part 1 for the
18 particular department, board, commission, office, or institution.

19 Sec. 219. The department and agencies receiving appropriations
20 in part 1 shall receive and retain copies of all reports funded
21 from appropriations in part 1. Federal and state guidelines for
22 short-term and long-term retention of records shall be followed.
23 The department may electronically retain copies of reports unless
24 otherwise required by federal or state guidelines.

25 Sec. 220. The department shall report no later than April 1 on
26 each specific policy change made to implement a public act
27 affecting the department that took effect during the prior calendar
28 year to the senate and house appropriations committees, the
29 subcommittees, the joint committee on administrative rules, and the

1 senate and house fiscal agencies.

2 Sec. 221. (1) From the funds appropriated in part 1, the
3 department shall do all of the following:

4 (a) Report to the house and senate appropriations committees,
5 the house and senate fiscal agencies, the house and senate policy
6 offices, and the state budget office any amount of severance pay
7 for a department director, deputy director, or other high-ranking
8 department official not later than 14 days after a severance
9 agreement with the director or official is signed. The name of the
10 director or official and the amount of severance pay must be
11 included in the report required by this subdivision.

12 (b) Maintain an internet site that posts any severance pay in
13 excess of 6 weeks of wages, regardless of the position held by the
14 former department employee receiving severance pay.

15 (c) By February 1, report to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, the house and senate policy offices,
18 and the state budget office on the total amount of severance pay
19 remitted to former department employees during the fiscal year
20 ending September 30, 2022, and the number of former department
21 employees that were remitted severance pay during the fiscal year
22 ending September 30, 2022.

23 (2) As used in this section, "severance pay" means
24 compensation that is both payable or paid upon the termination of
25 employment and in addition to either wages or benefits earned
26 during the course of employment or generally applicable retirement
27 benefits.

28 Sec. 222. (1) Any department, agency, board, commission, or
29 public officer that receives funding under part 1 shall not:

1 (a) Require as a condition of accessing any facility or
2 receiving services that an individual provide proof that he or she
3 has received a COVID-19 vaccine except as provided by federal law
4 or as a condition of receiving federal Medicare or Medicaid
5 funding.

6 (b) Produce, develop, issue, or require a COVID-19 vaccine
7 passport.

8 (c) Develop a database or make any existing database publicly
9 available to access an individual's COVID-19 vaccine status by any
10 person, company, or governmental entity.

11 (d) Require as a condition of employment that an employee or
12 official provide proof that he or she has received a COVID-19
13 vaccine. This subdivision does not apply to any hospital,
14 congregate care facility, or other medical facility or any
15 hospital, congregate care facility, or other medical facility
16 operated by a local subdivision that receives federal Medicare or
17 Medicaid funding.

18 (2) A department, agency, board, commission, or public officer
19 may not subject any individual to any negative employment
20 consequence, retaliation, or retribution because of that
21 individual's COVID-19 vaccine status.

22 (3) Subsection (1) does not prohibit any person, department,
23 agency, board, commission, or public officer from transmitting
24 proof of an individual's COVID-19 vaccine status to any person,
25 company, or governmental entity, so long as the individual provides
26 affirmative consent.

27 (4) If a department, agency, board, commission, subdivision,
28 or official or public officer is required to establish a vaccine
29 policy due to a federal mandate, it must provide exemptions to any

COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 223. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 228. (1) Not later than December 31, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget director pertaining to licensing and regulatory programs during the previous 3 fiscal years, if available, for the following agencies:

(a) Liquor control commission.

1 (b) Bureau of fire services.

2 (c) Bureau of construction codes.

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

4 (e) Bureau of professional licensing.

5 (f) Bureau of community and health systems.

6 (2) The report shall be in a format that is consistent between
7 the agencies listed in subsection (1). Agencies listed in
8 subsection (1)(a) and (b) shall report by regulated activity, and
9 agencies listed in subsection (1)(c), (d), (e), and (f) shall
10 report by regulatory product or regulated activity, or both.
11 Subject to this subsection, the report shall provide, but is not
12 limited to, the following information for the 3 previous fiscal
13 years, as applicable, for each agency:

14 (a) Revenue generated by and expenditures disbursed by
15 regulatory fund.

16 (b) Revenue generated by regulatory product or regulated
17 activity.

18 (c) The renewal cycle and amount of each fee charged.

19 (d) Number of initial applications.

20 (e) Number of initial applications denied.

21 (f) Number of license renewals.

22 (g) Average amount of time to approve or deny completed
23 applications.

24 (h) Number of examinations proctored for initial applications.

25 (i) A description of the types of complaints received.

26 (j) A description of the process used to resolve complaints.

27 (k) Number of complaints received.

28 (l) Number of complaints investigated.

29 (m) Number of complaints closed with no action.

1 (n) Number of complaints resulting in administrative actions
2 or citations.

3 (o) Average amount of time to complete investigations.

4 (p) Number of enforcement actions, including license
5 revocations, suspensions, and fines.

6 (q) A description of the types of enforcement actions taken
7 against licensees.

8 (r) Number of administrative hearing adjudications.

9 (3) As used in subsection (2), "regulatory product" means each
10 occupation, profession, trade, or program, which includes
11 licensure, certification, registration, inspection, review,
12 permitting, approval, or any other regulatory service provided by
13 the agencies specified in subsection (1) for each regulated
14 activity. As used in this subsection and subsection (2), "regulated
15 activity" means the particular activities, entities, facilities,
16 and industries regulated by the agencies specified in subsection
17 (1).

18 Sec. 229. It is the intent of the legislature that the
19 department establish an employee performance monitoring process
20 that is consistent throughout the department in addition to current
21 civil service commission evaluations. By April 1, the department
22 shall submit a report to the subcommittees, the senate and house
23 fiscal agencies, and the state budget office on changes to the
24 employee performance monitoring process that are planned or
25 implemented, as well as the number of employee evaluations
26 performed.

27 Sec. 230. Unless prohibited by law, the department may accept
28 credit card or other electronic means of payment for licenses,
29 fees, or permits.

1 Sec. 231. The department shall submit a report to the
2 subcommittees, the senate and house fiscal agencies, and the state
3 budget director by September 30 detailing any expenditure of funds
4 for a television or radio production that was made to a third-party
5 vendor in the fiscal year ending September 30, 2023. The report
6 must include the following information for each expenditure:

7 (a) Total amount of the expenditure.

8 (b) Fund source for the expenditure.

9 (c) Name of each vendor that created the production and the
10 amount paid to each vendor.

11 (d) Purpose of the production.

12 Sec. 232. Pending litigation related to a licensee must not
13 delay investigations and licensing actions taken by the department
14 toward that licensee under its statutory authority unless otherwise
15 prohibited by law.

16 Sec. 233. From the funds appropriated in part 1, the
17 department shall post on a publicly available website by December
18 30 any materials that department employees, contractors, or interns
19 are required to review or complete as part of their mandatory
20 training, including mandatory examinations, surveys, audio or
21 visual recordings, and reading materials. The department must
22 indicate which bureau, agency, or commission the training
23 requirement materials pertain to, if applicable. If the department
24 determines that the posting of the materials poses a cybersecurity
25 risk, the department must provide written notice to the
26 subcommittees stating this determination by December 30. The notice
27 must include a general description of the material in question and
28 an explanation for the determination that the content or subject
29 matter of the material merits confidentiality.

PUBLIC SERVICE COMMISSION

Sec. 301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the grant program.

LIQUOR CONTROL COMMISSION

Sec. 401. (1) From the appropriations in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall expend these funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. In addition to other investigative methods, the commission shall use shipping records available to it under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with this effort. The liquor control commission must refer all unlicensed out-of-state retailers and third-party marketers identified with the shipping records to the attorney general.

(2) By February 1, the liquor control commission shall provide a report to the legislature, the subcommittees, and the state budget director detailing the commission's activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall include the following:

1 (a) Work hours spent, specific actions undertaken, and the
2 number of FTEs dedicated to identifying and stopping unlicensed
3 out-of-state retailers, third-party marketers, and wineries that
4 ship illegally in Michigan.

5 (b) General overview of expenditures associated with efforts
6 to identify and stop unlicensed out-of-state retailers, third-party
7 marketers, and wineries that ship illegally in Michigan.

8 (c) Number of out-of-state entities found to have illegally
9 shipped wine into Michigan and total number of bottles (750 ml),
10 number of cases with 750 ml bottles, number of liters, number of
11 gallons, or weight of illegally shipped wine. These items must be
12 broken down by total number of retailers and total number of
13 wineries.

14 (d) Suggested areas of focus on how to address direct shipper
15 enforcement and illegal importation in the future.

16 (e) Number of unlicensed out-of-state entities found to have
17 illegally shipped wine into Michigan identified with the shipping
18 records under subsection (1).

19 (f) Number of notices sent under subsection (3).

20 (3) From the appropriations in part 1 from the direct shipper
21 enforcement revolving fund, the liquor control commission shall
22 send a notice to each unlicensed out-of-state entity found to have
23 illegally shipped wine into Michigan that has been identified via
24 the shipping records under subsection (1). The notice must include
25 all of the following:

26 (a) Notification that shipping wine into Michigan by retailers
27 and third-party marketers is illegal, and wineries shipping into
28 Michigan must obtain a direct shipper license.

29 (b) Under section 909 of the Michigan liquor control code of

1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

(c) Notice that the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 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. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

1 Sec. 503. Not later than February 15, the department shall
2 submit a report to the subcommittees, the senate and house fiscal
3 agencies, and the state budget director providing the following
4 information:

5 (a) The number of veterans who were separated from service in
6 the Armed Forces of the United States with an honorable character
7 of service or under honorable conditions (general) character of
8 service, individually or if a majority interest of a corporation or
9 limited liability company, that were exempted from paying
10 licensure, registration, filing, or any other fees collected under
11 each licensure or regulatory program administered by the bureau of
12 construction codes, the bureau of professional licensing, and the
13 corporations, securities, and commercial licensing bureau during
14 the preceding fiscal year.

15 (b) The specific fees and total amount of revenue exempted
16 under each licensure or regulatory program administered by the
17 bureau of construction codes, the bureau of professional licensing,
18 and the corporations, securities, and commercial licensing bureau
19 during the preceding fiscal year.

20 (c) The actual costs of providing licensing and other
21 regulatory services to veterans exempted from paying licensure,
22 registration, filing, or any other fees during the preceding fiscal
23 year and a description of how these costs were calculated.

24 (d) The estimated amount of revenue that will be exempted
25 under each licensure or regulatory program administered by the
26 bureau of construction codes, the bureau of professional licensing,
27 and the corporations, securities, and commercial licensing bureau
28 in both the current and subsequent fiscal years and a description
29 of how the exempted revenue was estimated.

1 Sec. 505. If the revenue collected by the department for
2 health systems administration from fees and collections exceeds the
3 amount appropriated in part 1, the revenue may be carried forward
4 into the subsequent fiscal year. The revenue carried forward under
5 this section shall be used as the first source of funds in the
6 subsequent fiscal year.

7 Sec. 506. Not later than February 1, the department shall
8 submit a report to the subcommittees, the senate and house fiscal
9 agencies, and the state budget director providing the following
10 information:

11 (a) The total amount of reimbursements made to local units of
12 government for delegated inspections of fireworks retail locations
13 pursuant to section 11 of the Michigan fireworks safety act, 2011
14 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
15 bureau of fire services during the preceding fiscal year.

16 (b) The amount of reimbursement for delegated inspections of
17 fireworks retail locations for each local unit of government that
18 received reimbursement from the funds appropriated in part 1 for
19 the bureau of fire services during the preceding fiscal year.

20 Sec. 507. (1) Beginning October 1, for the purpose of
21 defraying the costs associated with responding to false final
22 inspection appointments and to discourage the practice of calling
23 for final inspections when the project is incomplete or
24 noncompliant with a plan of correction previously provided by the
25 bureau of fire services, the bureau of fire services may assess a
26 fee not to exceed \$200.00 for responding to a second or subsequent
27 confirmed false inspection appointment. Fees collected under this
28 section shall be deposited into the restricted account referenced
29 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL

1 29.2c, and explicitly identified within the statewide integrated
2 governmental management applications system.

3 (2) Not later than September 30, the department shall prepare
4 a report that provides the amount of the fee assessed under
5 subsection (1), the number of fees assessed and issued per region,
6 the cost allocation for the work performed and reduced as a result
7 of this section, and any recommendations for consideration by the
8 legislature. The department shall submit this information to the
9 subcommittees, the senate and house fiscal agencies, and the state
10 budget office.

11 Sec. 508. The department shall submit a report on the Michigan
12 automated prescription system to the senate and house
13 appropriations committees, the senate and house fiscal agencies,
14 and the state budget director by November 30. The report shall
15 include, but is not limited to, the following:

16 (a) Total number of licensed health professionals registered
17 to the Michigan automated prescription system.

18 (b) Total number of dispensers registered to the Michigan
19 automated prescription system.

20 (c) Total number of prescribers using the Michigan automated
21 prescription system.

22 (d) Total number of dispensers using the Michigan automated
23 prescription system.

24 (e) Number of cases related to overprescribing,
25 overdensing, and drug diversion where the department took
26 administrative action as a result of information and data generated
27 from the Michigan automated prescription system.

28 (f) The number of hospitals, doctor's offices, pharmacies, and
29 other health facilities that have integrated the Michigan automated

1 prescription system into their electronic health records systems.

2 (g) Total number of delegate users registered to the Michigan
3 automated prescription system.

4 Sec. 509. From the amount appropriated in part 1 for bureau of
5 community and health systems administration, upon receipt of the
6 order of suspension of a licensed adult foster care home, home for
7 the aged, or nursing home, the department shall serve the facility
8 and provide contemporaneous notice to the offices of legislators
9 representing a district where the licensed facility is situated and
10 to the senate and house subcommittees on health and human services.

11 Sec. 510. The department shall not enforce any directive
12 requiring the masking of children less than 5 years of age and
13 shall not take any licensing or administrative action against any
14 licensee for failure to enforce or require the masking of children
15 less than 5 years of age.

16 Sec. 511. From the funds appropriated in part 1 for bureau of
17 construction codes, at least \$500,000.00 must be allocated for
18 additional inspections and enforcement activities related to the
19 carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to
20 408.670.

21 Sec. 512. Funds remaining in the homeowner construction lien
22 recovery fund are appropriated to the department for payment of
23 court-ordered homeowner construction lien recovery fund judgments
24 entered before August 23, 2010. Pursuant to available funds, the
25 payment of final judgments shall be made in the order in which the
26 final judgments were entered and began accruing interest.

27
28 **CANNABIS REGULATORY AGENCY**

29 Sec. 601. The department shall submit a comprehensive annual

1 report for all programs administered by the cannabis regulatory
2 agency by January 31 to the senate and house appropriations
3 committees, the senate and house fiscal agencies, and the state
4 budget director. This report shall include, but is not limited to,
5 all of the following information for the prior fiscal year
6 regarding the marihuana programs under the Michigan Medical
7 Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430; the medical
8 marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to
9 333.27801, and the Michigan Regulation and Taxation of Marihuana
10 Act, 2018 IL 1, MCL 333.27951 to 333.27967:

11 (a) The number of initial applications received, by license
12 category.

13 (b) The number of initial applications approved and the number
14 of initial applications denied, by license category.

15 (c) The average amount of time, from receipt to approval or
16 denial, to process an initial application, by license category.

17 (d) The number of renewal applications approved, by license
18 category and by county.

19 (e) The number of renewal applications received, by license
20 category, and by county, if applicable.

21 (f) The number of renewal applications denied, by license
22 category and by county.

23 (g) The average amount of time, from receipt to approval or
24 denial, to process a renewal application, by license category, if
25 applicable.

26 (h) The percentage of initial applications not approved or
27 denied within the time requirements established in the respective
28 act, by license category, if applicable.

29 (i) The percentage of renewal applications not approved or

1 denied within the time requirements established in the respective
2 act, by license category, if applicable.

3 (j) The total amount collected from application fees or
4 established regulatory assessment and the specific fund this amount
5 is deposited into, by license category.

6 (k) The costs of administering the licensing program under
7 each of the above-referenced acts.

8 (l) The registered name and addresses of all facilities
9 licensed under the above-referenced acts, by license category and
10 by county.

11 (m) The number of complaints received pertaining to the above-
12 referenced acts, by license type or regulatory activity.

13 (n) A description of the types of complaints received.

14 (o) A description of the process used to resolve complaints.

15 (p) The number of investigations opened pertaining to each
16 license category.

17 (q) The number of investigations closed pertaining to each
18 license category.

19 (r) The average amount of time to complete investigations
20 pertaining to each license category.

21 (s) The number of enforcement actions pertaining to each
22 license category.

23 (t) A description of the types of enforcement actions taken
24 against licensees.

25 (u) The number of administrative hearing adjudications
26 pertaining to each license type.

27 (v) A list of the fees charged for license applications,
28 license renewals, and registry cards.

29 Sec. 602. From the funds appropriated in part 1, within 15

1 days of the last day of each fiscal quarter, the cannabis
2 regulatory agency shall post on a publicly accessible website a
3 list of any referrals made to law enforcement agencies regarding
4 suspected illegal or irregular activities of businesses and
5 licensees under the agency's purview.

6 7 **COMMISSIONS**

8 Sec. 802. From the funds appropriated in part 1, the Michigan
9 indigent defense commission shall submit a report by September 30
10 to the subcommittees, the senate and house fiscal agencies, and the
11 state budget director on the incremental costs associated with the
12 standard development process, the compliance plan process, and the
13 collection of data from all indigent defense systems and attorneys
14 providing indigent defense. Particular emphasis shall be placed on
15 those costs that may be avoided after standards are developed and
16 compliance plans are in place.

17 Sec. 803. A grant distributed by the Michigan indigent defense
18 commission must not be used by an indigent defense system to
19 support any construction expenses for a new structure. This section
20 does not prohibit expenditures for renovations to existing
21 structures, if such a renovation is part of an indigent defense
22 system's approved compliance plan.

23 24 **GRANTS**

25 Sec. 901. (1) The department shall expend the funds
26 appropriated in part 1 for marihuana operation and oversight grants
27 for grants to counties for education and outreach programs relating
28 to the Michigan medical marihuana program and the adult-use
29 marihuana program pursuant to section 14 of the Michigan Regulation

1 and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant
2 funds may be generated from application and license fees authorized
3 under section 8(1)(b) of the Michigan Regulation and Taxation of
4 Marihuana Act, 2018 IL 1, MCL 333.27958. These grants shall be
5 distributed proportionately based on the number of registry
6 identification cards issued to or renewed for the residents of each
7 county that applied for a grant under subsection (2). For the
8 purposes of this subsection, operation and oversight grants are for
9 education, communication, and outreach regarding the Michigan
10 Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, and
11 the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1,
12 MCL 333.27951 to 333.27967. Grants provided under this section must
13 not be used for law enforcement purposes.

14 (2) Not later than December 1, the department shall post a
15 listing of potential grant money available to each county on its
16 website. In addition, the department shall work collaboratively
17 with counties regarding the availability of these grant funds. A
18 county requesting a grant shall apply on a form developed by the
19 department and available on its website. The form shall contain the
20 county's specific projected plan for use of the money and its
21 agreement to maintain all records and to submit documentation to
22 the department to support the use of the grant money.

23 (3) In order to be eligible to receive a grant under
24 subsection (1), a county shall apply not later than January 1 and
25 agree to report how the grant was expended and to provide that
26 report to the department not later than September 15. The
27 department shall submit a report not later than October 15 of the
28 subsequent fiscal year to the state budget director, the
29 subcommittees, and the senate and house fiscal agencies detailing

1 the grant amounts by recipient and the reported uses of the grants
2 in the preceding fiscal year.

3 Sec. 902. (1) The amount appropriated in part 1 for
4 firefighter training grants shall only be expended for payments to
5 counties to reimburse organized fire departments for firefighter
6 training and other activities required under the firefighters
7 training council act, 1966 PA 291, MCL 29.361 to 29.377.

8 (2) If the amount appropriated in part 1 for firefighter
9 training grants is expended by the firefighters training council,
10 established in section 3 of the firefighters training council act,
11 1966 PA 291, MCL 29.363, for payments to counties under section 14
12 of the firefighters training council act, 1966 PA 291, MCL 29.374,
13 the following apply to the extent otherwise permissible by law:

14 (a) The amount appropriated in part 1 for firefighter training
15 grants shall be allocated pursuant to section 14(2) of the
16 firefighters training council act, 1966 PA 291, MCL 29.374.

17 (b) If the amount allocated to any county under subdivision
18 (a) is less than \$5,000.00, the amounts disbursed to each county
19 under subdivision (a) shall be adjusted to provide for a minimum
20 payment of \$5,000.00 to each county.

21 (3) Not later than February 1, the department shall submit a
22 financial report to the subcommittees, the senate and house fiscal
23 agencies, and the state budget director identifying the following
24 information for the preceding fiscal year:

25 (a) The amount of the payments that would be made to each
26 county if the distribution formula described by the first sentence
27 of section 14(2) of the firefighters training council act, 1966 PA
28 291, MCL 29.374, would have been utilized to allocate the total
29 amount appropriated in part 1 for firefighter training grants.

1 (b) The amount of the payments approved by the firefighters
2 training council for allocation to each county.

3 (c) The amount of the payments actually expended or encumbered
4 within each county.

5 (d) A description of any other payments or expenditures made
6 under the authority of the firefighters training council.

7 (e) The amount of payments approved for allocations to
8 counties that was not expended or encumbered and lapsed back to the
9 fireworks safety fund.

10
11 **ONE-TIME APPROPRIATIONS**

12 Sec. 1101. From the funds appropriated in part 1 for Michigan
13 saves, the Michigan public service commission may award a
14 \$1,000,000.00 grant to a nonprofit green bank with experience in
15 leveraging energy-efficiency and renewable energy improvements, for
16 the purpose of making such loans more affordable for Michigan
17 families, businesses, and public entities. Grant funds may be used
18 to support a loan loss reserve fund or other comparable financial
19 instrument to further leverage private investment in clean energy
20 improvements.