

FIRST CONFERENCE REPORT

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

House Bill No. 4106, entitled

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2016; and to provide for the expenditure of the appropriations.

Recommends:

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

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

(attached)

Third: That the House and Senate 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, 2016; 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.

Chris Afendoulis

Marty Knollenberg

Michael D. McCreedy

Jim Marleau

Harvey Santana

Coleman Young II

Conferees for the House

Conferees for the Senate

**SUBSTITUTE FOR
HOUSE BILL NO. 4106**

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, 2016; 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:

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PART 1

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2015-2016

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

1 the department of licensing and regulatory affairs, subject to the
 2 conditions set forth in part 2, for the fiscal year ending
 3 September 30, 2016, from the funds identified in this part. The
 4 following is a summary of the appropriations in this part:

5 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions.....	57.5	
8	Full-time equated classified positions.....	2,163.3	
9	GROSS APPROPRIATION.....		\$ 407,649,000
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		46,068,700
13	ADJUSTED GROSS APPROPRIATION.....		\$ 361,580,300
14	Federal revenues:		
15	Total federal revenues.....		63,674,900
16	Special revenue funds:		
17	Total local revenues.....		679,000
18	Total private revenues.....		341,300
19	Total other state restricted revenues.....		258,403,600
20	State general fund/general purpose.....		\$ 38,481,500
21	Sec. 102. DEPARTMENTAL ADMINISTRATION		
22	Full-time equated unclassified positions.....	57.5	
23	Full-time equated classified positions.....	115.0	
24	Unclassified salaries--57.5 FTE positions.....		\$ 4,605,200
25	Executive director programs--24.0 FTE positions.....		2,890,200
26	Financial and administrative services--74.0 FTE		
27	positions		7,805,800

1	Office of regulatory reinvention--4.0 FTE positions ..	482,600
2	Office of reinventing performance in Michigan--6.0 FTE	
3	positions	700,000
4	Office for new Americans--4.0 FTE positions	593,000
5	FOIA coordination--2.0 FTE positions	302,900
6	Local community stabilization authority--1.0 FTE	
7	position	150,000
8	Property management	11,776,400
9	Information technology services and projects	19,979,100
10	Worker's compensation	<u>342,700</u>
11	GROSS APPROPRIATION	\$ 49,627,900
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG-DIFS, accounting services	150,000
15	IDG-TED, unemployment hearings	555,000
16	Federal revenues:	
17	DED-vocational rehabilitation and independent living .	2,184,100
18	DOL-occupational safety and health	992,400
19	EPA-underground storage tanks	28,600
20	HHS-Medicaid, certification of health care providers	
21	and suppliers	708,700
22	HHS-Medicare, certification of health care providers	
23	and suppliers	1,165,600
24	Special revenue funds:	
25	Local stabilization authority contract	150,000
26	Aboveground storage tank fees	145,500
27	Accountancy enforcement fund	67,000

1	Asbestos abatement fund.....	179,600
2	Boiler inspection fund.....	630,800
3	Builder enforcement fund.....	98,800
4	Construction code fund.....	1,609,400
5	Corporation fees.....	8,622,900
6	Elevator fees.....	683,400
7	Fire alarm fees.....	5,300
8	Fire safety standard and enforcement fund.....	1,100
9	Fire service fees.....	771,800
10	Fireworks safety fund.....	93,600
11	Health professions regulatory fund.....	2,672,200
12	Health systems fees.....	438,900
13	Licensing and regulation fund.....	3,035,800
14	Liquor license revenue.....	300,000
15	Liquor purchase revolving fund.....	7,046,300
16	Michigan medical marihuana fund.....	917,600
17	Mobile home code fund.....	603,900
18	Nurse professional fund.....	36,900
19	PMECSEMA fund.....	217,700
20	Private occupational school license fees.....	164,000
21	Property development fees.....	6,000
22	Public utility assessments.....	3,985,700
23	Radiological health fees.....	296,200
24	Real estate appraiser education fund.....	6,400
25	Real estate education fund.....	15,200
26	Real estate enforcement fund.....	9,900
27	Restructuring mechanism assessments.....	11,000

1	Safety education and training fund.....		1,372,700
2	Second injury fund.....		395,000
3	Securities fees.....		4,594,100
4	Securities investor education and training fund.....		14,400
5	Security business fund.....		3,100
6	Self-insurers security fund.....		255,900
7	Silicosis and dust disease fund.....		173,500
8	Survey and remonumentation fund.....		142,000
9	Tax tribunal fund.....		1,631,400
10	Unarmed combat fund.....		12,800
11	Underground storage tank fees.....		355,200
12	Utility consumer representation fund.....		52,900
13	Worker's compensation administrative revolving fund..		99,800
14	State general fund/general purpose.....	\$	1,917,800
15	Sec. 103. ENERGY AND UTILITY PROGRAMS		
16	Full-time equated classified positions.....	183.0	
17	Michigan agency for energy--52.0 FTE positions.....		\$ 12,155,100
18	Public service commission--131.0 FTE positions.....		<u>21,647,600</u>
19	GROSS APPROPRIATION.....		\$ 33,802,700
20	Appropriated from:		
21	Federal revenues:		
22	DOE-heating oil and propane.....		3,851,200
23	DOT-gas pipeline safety.....		1,219,900
24	EPA-pollution prevention.....		84,000
25	Special revenue funds:		
26	Oil overcharge.....		30,000
27	Public utility assessments.....		26,847,100

1	Restructuring mechanism assessments		550,900
2	Retired engineers technical assistance program fund ..		669,600
3	State general fund/general purpose	\$	550,000
4	Sec. 104. LIQUOR CONTROL COMMISSION		
5	Full-time equated classified positions.....	143.0	
6	Management support services--28.0 FTE positions	\$	4,361,200
7	Liquor licensing and enforcement--115.0 FTE positions		<u>15,089,200</u>
8	GROSS APPROPRIATION.....	\$	19,450,400
9	Appropriated from:		
10	Special revenue funds:		
11	Direct shipper enforcement revolving fund.....		124,500
12	Liquor license fee enhancement fund.....		75,000
13	Liquor license revenue.....		7,304,100
14	Liquor purchase revolving fund.....		11,946,800
15	State general fund/general purpose	\$	0
16	Sec. 105. OCCUPATIONAL REGULATION		
17	Full-time equated classified positions.....	1,024.9	
18	Bureau of fire services--80.0 FTE positions	\$	11,414,500
19	Bureau of construction codes--176.0 FTE positions		21,767,000
20	Detroit demolition permit assistance		800,000
21	Corporations, securities, and commercial licensing		
22	bureau--178.0 FTE positions		26,818,100
23	Bureau of health care services--351.9 FTE positions ..		59,284,100
24	Medical marihuana program--20.0 FTE positions		4,228,800
25	Bureau of children and adult licensing--219.0 FTE		
26	positions		<u>28,569,000</u>
27	GROSS APPROPRIATION.....	\$	152,881,500

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG-DHHS, inspection contract.....	100,000
4	IDG-MDE, child care licensing.....	16,340,200
5	Federal revenues:	
6	DHS-fire training systems.....	28,000
7	DOT-hazardous materials training and planning.....	60,000
8	EPA-underground storage tanks.....	1,255,300
9	HHS-Medicaid, certification of health care providers	
10	and suppliers	8,991,600
11	HHS-Medicare, certification of health care providers	
12	and suppliers	12,215,700
13	Special revenue funds:	
14	Private - civil monetary penalties.....	199,500
15	Aboveground storage tank fees.....	447,200
16	Accountancy enforcement fund.....	404,300
17	Boiler inspection fund.....	3,756,800
18	Builder enforcement fund.....	478,300
19	Construction code fund.....	8,440,000
20	Corporation fees.....	6,916,900
21	Elevator fees.....	4,780,500
22	Fire alarm fees.....	125,400
23	Fire safety standard and enforcement fund.....	40,000
24	Fire service fees.....	2,452,400
25	Fireworks safety fund.....	682,900
26	Health professions regulatory fund.....	23,491,300
27	Health systems fees.....	3,309,300

1	Licensing and regulation fund.....		11,386,500
2	Liquor purchase revolving fund.....		130,900
3	Michigan medical marihuana fund.....		4,228,800
4	Mobile home code fund.....		2,982,300
5	Nurse professional fund.....		1,937,200
6	PMECSEMA fund.....		1,821,300
7	Private occupational school license fees.....		817,600
8	Property development fees.....		318,100
9	Real estate appraiser education fund.....		63,200
10	Real estate education fund.....		340,600
11	Real estate enforcement fund.....		696,400
12	Securities fees.....		4,918,700
13	Securities investor education and training fund.....		999,900
14	Security business fund.....		340,100
15	Survey and remonumentation fund.....		837,200
16	Unarmed combat fund.....		137,000
17	Underground storage tank fees.....		2,518,500
18	State general fund/general purpose.....	\$	23,891,600
19	Sec. 106. EMPLOYMENT SERVICES		
20	Full-time equated classified positions.....	464.4	
21	Workers' compensation agency--56.0 FTE positions.....		\$ 7,745,500
22	Insurance funds administration--23.0 FTE positions...		5,236,300
23	Compensation supplement fund.....		1,820,000
24	Bureau of services for blind persons--113.0 FTE		
25	positions		25,011,000
26	Bureau of employment relations--22.0 FTE positions...		4,117,800
27	Michigan occupational safety and health		

1	administration--197.0 FTE positions.....	28,660,200
2	Radiation safety section--21.4 FTE positions.....	3,437,000
3	Wage and hour program--32.0 FTE positions.....	<u>3,658,300</u>
4	GROSS APPROPRIATION.....	\$ 79,686,100
5	Appropriated from:	
6	Federal revenues:	
7	DED-vocational rehabilitation and independent living .	18,279,800
8	DOL-occupational safety and health.....	11,695,100
9	HHS-mammography quality standards.....	764,900
10	Special revenue funds:	
11	Local revenues.....	529,000
12	Private revenues.....	111,800
13	Asbestos abatement fund.....	1,016,800
14	Corporation fees.....	8,455,400
15	Michigan business enterprise program fund.....	562,000
16	Radiological health fees.....	2,672,100
17	Safety education and training fund.....	9,554,100
18	Second injury fund.....	2,814,600
19	Securities fees.....	8,484,500
20	Self-insurers security fund.....	1,337,100
21	Silicosis and dust disease fund.....	1,084,600
22	Worker's compensation administrative revolving fund..	2,462,800
23	State general fund/general purpose.....	\$ 9,861,500
24	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
25	Full-time equated classified positions.....	233.0
26	Michigan administrative hearing system--215.0 FTE	
27	positions	\$ 38,678,000

1	Michigan compensation appellate commission--18.0 FTE	
2	positions	<u>4,546,700</u>
3	GROSS APPROPRIATION.....	\$ 43,224,700
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG revenues - administrative hearings and rules	28,923,500
7	Federal revenues:	
8	Federal revenues - administrative hearings and rules .	150,000
9	Special revenue funds:	
10	State restricted revenues - administrative hearings	
11	and rules	12,783,100
12	Worker's compensation administrative revolving fund..	333,200
13	State general fund/general purpose.....	\$ 1,034,900
14	Sec. 108. DEPARTMENT GRANTS	
15	Fire protection grants.....	\$ 9,273,900
16	Firefighter training grants.....	1,000,000
17	Liquor law enforcement grants.....	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.....	<u>750,000</u>
22	GROSS APPROPRIATION.....	\$ 28,975,700
23	Appropriated from:	
24	Special revenue funds:	
25	Fire protection fund.....	8,500,000
26	Fireworks safety fund.....	1,000,000
27	Liquor license revenue.....	7,200,000

1	Michigan medical marihuana fund.....	3,000,000
2	Survey and remonumentation fund.....	7,300,000
3	Utility consumer representation fund.....	750,000
4	State general fund/general purpose.....	\$ 1,225,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2015-2016 is \$296,885,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$28,225,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

17	Fire protection grants.....	\$ 9,273,900
18	Firefighter training grants.....	1,000,000
19	Liquor law enforcement grants.....	7,200,000
20	Medical marihuana operation and oversight grants.....	3,000,000
21	Remonumentation grants.....	7,300,000
22	Subregional libraries state aid.....	<u>451,800</u>
23	Total department of licensing and regulatory	
24	affairs	\$ 28,225,700

Sec. 202. The appropriations authorized under this part and

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

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

4 (a) "DED" means the United States Department of Education.

5 (b) "Department" means the department of licensing and
6 regulatory affairs.

7 (c) "DHHS" means the Michigan department of health and human
8 services.

9 (d) "DHS" means the United States Department of Homeland
10 Security.

11 (e) "DIFS" means the department of insurance and financial
12 services.

13 (f) "Director" means the director of the department.

14 (g) "DOE" means the United States Department of Energy.

15 (h) "DOL" means the United States Department of Labor.

16 (i) "DOT" means the United States Department of
17 Transportation.

18 (j) "EPA" means the United States Environmental Protection
19 Agency.

20 (k) "Fiscal agencies" means Michigan house fiscal agency and
21 Michigan senate fiscal agency.

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

24 (m) "FTE" means full-time equated.

25 (n) "HHS" means the United States Department of Health and
26 Human Services.

27 (o) "IDG" means interdepartmental grant.

1 (p) "MDE" means the Michigan department of education.

2 (q) "PMECSEMA" means pain management education and controlled
3 substances electronic monitoring and antidiversion.

4 (r) "Subcommittees" means all members of the subcommittees of
5 the house and senate appropriations committees with jurisdiction
6 over the budget for the department.

7 (s) "TED" means the Michigan department of talent and economic
8 development.

9 Sec. 205. In addition to the metrics required under section
10 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
11 each new program or program enhancement for which funds in excess
12 of \$500,000.00 are appropriated in part 1, the department shall
13 provide, not later than November 1, a list of program-specific
14 metrics intended to measure its performance based on a return on
15 taxpayer investment. The department shall deliver the program-
16 specific metrics to members of the senate and house subcommittees
17 that have subject matter jurisdiction for this budget, fiscal
18 agencies, and the state budget director. The department shall
19 provide an update on its progress in tracking program-specific
20 metrics and the status of program success at an appropriations
21 subcommittee meeting called for by the subcommittee chairperson.

22 Sec. 208. The departments and agencies receiving
23 appropriations in part 1 shall use the Internet to fulfill the
24 reporting requirements of this part. This requirement may include
25 transmission of reports via electronic mail to the recipients
26 identified for each reporting requirement, or it may include
27 placement of reports on an Internet or intranet site.

1 Sec. 209. Funds appropriated in part 1 shall not be used for
2 the purchase of foreign goods or services, or both, if
3 competitively priced and of comparable quality American goods or
4 services, or both, are available. Preference shall be given to
5 goods or services, or both, manufactured or provided by Michigan
6 businesses, if they are competitively priced and of comparable
7 quality. In addition, preference shall be given to goods or
8 services, or both, that are manufactured or provided by Michigan
9 businesses owned and operated by veterans, if they are
10 competitively priced and of comparable quality.

11 Sec. 210. The director shall take all reasonable steps to
12 ensure businesses in deprived and depressed communities compete for
13 and perform contracts to provide services or supplies, or both. The
14 director shall strongly encourage firms with which the department
15 contracts to subcontract with certified businesses in depressed and
16 deprived communities for services, supplies, or both.

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

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

26 Sec. 216. Not later than November 30, the state budget office
27 shall prepare and transmit a report that provides for estimates of

1 the total general fund/general purpose appropriation lapses at the
2 close of the prior fiscal year. This report shall summarize the
3 projected year-end general fund/general purpose appropriation
4 lapses by major departmental program or program areas. The report
5 shall be transmitted to the chairpersons of the senate and house
6 appropriations committees and the fiscal agencies.

7 Sec. 218. The departments and agencies receiving
8 appropriations in part 1 shall prepare a report on out-of-state
9 travel expenses not later than January 1 of each year. The travel
10 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 house and senate appropriations committee, the
15 house and senate fiscal agencies, and the state budget director.
16 The 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. 219. No later than April 1, the department shall submit
24 to the subcommittees and the fiscal agencies a report pertaining to
25 the following information:

26 (a) The amount, in square footage, of office space paid for
27 with the appropriation in part 1 for both state-owned and leased

1 office space, respectively, during the previous fiscal year.

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

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

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

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

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

27 (2) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$25,000,000.00 for state
2 restricted contingency funds.

3 (3) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$7,800,000.00 for local
5 contingency funds.

6 (4) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$400,000.00 for private
8 contingency funds.

9 (5) Funds appropriated pursuant to this section are not
10 available for expenditure until they have been transferred to
11 another line item in part 1 under section 393(2) of the management
12 and budget act, 1984 PA 431, MCL 18.1393.

13 Sec. 225. (1) Grants supported with private revenues received
14 by the department are appropriated upon receipt and are available
15 for expenditure by the department, subject to subsection (3), for
16 purposes specified within the grant agreement and as permitted
17 under state and federal law.

18 (2) Within 10 days after the receipt of a private grant
19 appropriated in subsection (1), the department shall notify the
20 house and senate chairpersons of the subcommittees, the fiscal
21 agencies, and the state budget director of the receipt of the
22 grant, including the fund source, purpose, and amount of the grant.

23 (3) The amount appropriated under subsection (1) shall not
24 exceed \$1,500,000.00.

25 Sec. 227. (1) The department shall sell documents at a price
26 not to exceed the cost of production and distribution. Money
27 received from the sale of these documents shall revert to the

1 department. In addition to the funds appropriated in part 1, these
2 funds are available for expenditure when they are received by the
3 department of treasury. This subsection applies only for the
4 following documents:

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

8 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
9 436.1101 to 436.2303.

10 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
11 to 125.2349; the business corporation act, 1972 PA 284, MCL
12 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
13 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
14 2008 PA 551, MCL 451.2101 to 451.2703.

15 (d) Worker's compensation health care services rules.

16 (e) Construction code manuals.

17 (f) Copies of transcripts from administrative law hearings.

18 (2) In addition to the funds appropriated in part 1, funds
19 appropriated for the department under sections 55, 57, 58, and 59
20 of the administrative procedures act of 1969, 1969 PA 306, MCL
21 24.255, 24.257, 24.258, and 24.259, and section 203 of the
22 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated
23 for all expenses necessary to provide for the cost of publication
24 and distribution.

25 (3) Unexpended funds at the end of the fiscal year shall carry
26 forward to the subsequent fiscal year and not lapse to the general
27 fund.

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

4 Sec. 229. The department shall maintain, on a publicly
5 accessible website, a department scorecard that identifies, tracks,
6 and regularly updates key metrics that are used to monitor and
7 improve the department's performance.

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

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

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

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

17 (d) The number of active department employees by job
18 classification.

19 (e) Job specifications and wage rates.

20 Sec. 232. The department shall not develop or produce any
21 television or radio productions.

22 Sec. 234. 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 senate and house appropriations
25 chairs, the senate and house appropriations subcommittees chairs,
26 and the senate and house fiscal agencies with an annual report on
27 estimated state restricted fund balances, state restricted fund

1 projected revenues, and state restricted fund expenditures for the
2 preceding and current fiscal years.

3 Sec. 235. Total authorized appropriations from all sources
4 under part 1 for legacy costs for the fiscal year ending September
5 30, 2016 are \$55,244,600.00. From this amount, total agency
6 appropriations for pension-related legacy costs are estimated at
7 \$31,352,700.00. Total agency appropriations for retiree health care
8 legacy costs are estimated at \$23,891,800.00.

9 Sec. 241. (1) The department may charge registration fees to
10 attendees of informational, training, or special events sponsored
11 by the department.

12 (2) These fees shall reflect the costs for the department to
13 sponsor the informational, training, or special events.

14 (3) Revenue generated by the registration fees is appropriated
15 upon receipt and available for expenditure to cover the
16 department's costs of sponsoring informational, training, or
17 special events.

18 (4) Revenue generated by registration fees in excess of the
19 department's costs of sponsoring informational, training, or
20 special events shall carry forward to the subsequent fiscal year
21 and not lapse to the general fund.

22 (5) Not later than November 15, the department shall submit a
23 report to the subcommittees, fiscal agencies, and the state budget
24 office that identifies each of the following in the immediately
25 preceding fiscal year:

26 (a) Each informational, training, or special event sponsored
27 by the department.

1 (b) The amount of revenue generated by registration fees.

2 (c) The amount expended for the department's costs of
3 sponsoring informational, training, or special events.

4 (d) Any balance carried forward into the subsequent fiscal
5 year.

6 (6) The amount appropriated under subsection (3) shall not
7 exceed \$500,000.00.

8 Sec. 242. The department may make available to interested
9 entities otherwise unavailable customized listings of
10 nonconfidential information in its possession, such as names and
11 addresses of licensees. The department may establish and collect a
12 reasonable charge to provide this service. The revenue received
13 from this service shall be used to offset expenses to provide the
14 service. Any balance of this revenue collected and unexpended at
15 the end of the fiscal year shall revert to the appropriate
16 restricted fund.

17 Sec. 243. The department shall work to establish memoranda of
18 understanding with other state departments or agencies that
19 participate in the reinventing performance in Michigan program
20 supported by appropriations in part 1. Each memorandum shall detail
21 a mechanism for the department to recover costs related to program
22 services performed on behalf of the receiving agency. Not later
23 than March 1, the department shall submit a report to the state
24 budget office, subcommittees, and fiscal agencies containing the
25 following information:

26 (a) The name of each state department or agency participating
27 in the program.

1 (b) Whether a memorandum of understanding was established with
2 each participating state department or agency.

3 (c) The amount agreed upon in each memorandum of
4 understanding.

5 Sec. 245. The department, in conjunction with the department
6 of health and human services, shall maintain an accounting
7 structure within the Michigan administrative information network
8 that will allow expenditures associated with the administration of
9 the Healthy Michigan plan to be identified. By October 1, the
10 department shall provide the state budget office and the fiscal
11 agencies with the relevant accounting structure and associated
12 business objects script and report that group's administrative
13 costs.

14 Sec. 248. (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 be in a format that is consistent between
25 the agencies listed in subsection (1) and shall provide, but is not
26 limited to, the following information for each agency in subsection
27 (1):

1 (a) Revenue generated by and expenditures disbursed for each
2 regulatory product.

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

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

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

9 (e) Average amount of time, both tolled and untolled, to
10 approve or deny applications, both initial and renewal, for each
11 regulatory product.

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

14 (g) Number of complaints received pertaining to each regulated
15 activity.

16 (h) Number of investigations opened pertaining to each
17 regulated activity.

18 (i) Number of investigations closed pertaining to each
19 regulated activity.

20 (j) Average amount of time to close investigations pertaining
21 to each regulated activity.

22 (k) Number of enforcement actions pertaining to each regulated
23 activity.

24 (l) Number of administrative hearings pertaining to each
25 regulated activity.

26 (m) Number of administrative hearing adjudications pertaining
27 to each regulated activity.

1 (n) The type and amount of each fee charged to support each
2 regulated activity.

3 (3) In addition to providing agency-level information as
4 specified in subsection (2), the report shall include a summary
5 that provides the following information as a sum total for all of
6 the agencies specified in subsection (1):

7 (a) Total fee revenue and expenditures.

8 (b) The numbers of applications, both initial and renewal,
9 received, approved, and denied for each regulatory product.

10 (c) Number of complaints received.

11 (d) Number of investigations opened.

12 (e) Number of investigations closed.

13 (f) Number of enforcement actions taken.

14 (g) Number of administrative hearing adjudications undertaken.

15 (4) As used in subsection (2), "regulatory products" means
16 licensure, certification, registration, permitting, approval, or
17 any other regulatory service provided by the agencies specified in
18 subsection (1) for occupations, facilities, entities, industries,
19 or activities regulated by the agencies specified in subsection
20 (1).

21 Sec. 252. It is the intent of the legislature that the
22 department establish an employee performance monitoring process
23 that is consistent throughout the department in addition to current
24 civil service commission evaluations. By April 1, the department
25 shall submit a report to the state budget office, the
26 subcommittees, and the fiscal agencies on changes to the employee
27 performance monitoring process that are planned or implemented.

1 OCCUPATIONAL REGULATION

2 Sec. 501. Money appropriated under this part and part 1 for
3 the bureau of fire services shall not be expended unless, in
4 accordance with section 2c of the fire prevention code, 1941 PA
5 207, MCL 29.2c, inspection and plan review fees will be charged
6 according to the following schedule:

7 Operation and maintenance inspection fee

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

10 Plan review and construction inspection fees for
11 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.

18 Sec. 502. The funds collected by the department for licenses,
19 permits, and other elevator regulation fees set forth in the
20 Michigan administrative code and as determined under section 8 of
21 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
22 408.816, that are unexpended at the end of the fiscal year shall
23 carry forward to the subsequent fiscal year.

24 Sec. 503. No later than February 15, the department shall
25 submit a report to the subcommittees, fiscal agencies, and state
26 budget director providing the following information:

27 (a) The number of honorably discharged veterans, individually

1 or if a majority interest of a corporation or limited liability
2 company, that were exempted from paying licensure, registration,
3 filing, or any other fees collected under each licensure or
4 regulatory program administered by the bureau of construction codes
5 and the corporations, securities, and commercial licensing bureau
6 during the preceding fiscal year.

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

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

15 (d) The estimated amount of revenue that will be exempted
16 under each licensure or regulatory program administered by the
17 bureau of construction codes and the corporations, securities, and
18 commercial licensing bureau in both the current and subsequent
19 fiscal years and a description of how the exempted revenue was
20 estimated.

21 Sec. 505. (1) Funds remaining in the homeowner construction
22 lien recovery fund are appropriated to the department for payment
23 of court-ordered homeowner construction lien recovery fund
24 judgments entered prior to August 23, 2010. Pursuant to available
25 funds, the payment of final judgments shall be made in the order in
26 which the final judgments were entered and began accruing interest.

27 (2) Not later than April 1, the department shall submit to the

1 subcommittees and fiscal agencies a report on the revenues,
2 expenditures, and balance of the homeowner construction lien
3 recovery fund as of the end of the previous fiscal year.

4 Sec. 507. The department shall submit a report by January 1 to
5 the standing committees on appropriations of the senate and house
6 of representatives, the fiscal agencies, and the state budget
7 director that includes all of the following information for the
8 prior fiscal year regarding the medical marihuana program under the
9 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
10 333.26430:

11 (a) The number of initial applications received.

12 (b) The number of initial applications approved and the number
13 of initial applications denied.

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

16 (d) The number of renewal applications received.

17 (e) The number of renewal applications approved and the number
18 of renewal applications denied.

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

21 (g) The percentage of initial applications not approved or
22 denied within the time requirements established in section 6 of the
23 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

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

27 (i) The percentage of registry cards for approved initial

1 applications not issued within the time requirements established in
2 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
3 333.26426.

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

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

11 (l) The costs of administering the medical marihuana program
12 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
13 to 333.26430.

14 Sec. 508. If the revenue collected by the department for
15 health systems administration or radiological health administration
16 and projects from fees and collections exceeds the amount
17 appropriated in part 1, the revenue may be carried forward into the
18 subsequent fiscal year. The revenue carried forward under this
19 section shall be used as the first source of funds in the
20 subsequent fiscal year.

21 Sec. 511. No later than February 1, the department shall
22 submit a report to the subcommittees, fiscal agencies, and state
23 budget director providing the following information:

24 (a) The total amount of reimbursements made to local units of
25 government for delegated inspections of fireworks retail locations
26 pursuant to section 11 of the Michigan fireworks safety act, 2011
27 PA 256, MCL 28.461, from the funds appropriated in part 1 for the

1 bureau of fire services during the preceding fiscal year.

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

6 Sec. 512. To the extent allowed under applicable state and
7 federal laws, the bureau of health care services shall make
8 disciplinary actions taken against health professionals publicly
9 available through the online license verification website.

10 Sec. 513. (1) Beginning October 1, for the purpose of
11 defraying the costs associated with responding to false final
12 inspection appointments and to discourage the practice of calling
13 for final inspections when the project is incomplete or
14 noncompliant with a plan of correction previously provided by the
15 bureau of fire services, the bureau of fire services may assess a
16 fee not to exceed \$200.00 for responding to confirmed false
17 inspection appointments. Fees collected under this section shall be
18 deposited into the restricted account referenced by section 2c(2)
19 of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly
20 identified within the Michigan administrative information network.

21 (2) Not later than September 30, the department shall prepare
22 a report that provides the amount of the fee assessed under
23 subsection (1), the number of fees assessed and issued per region,
24 the cost allocation for the work performed and reduced as a result
25 of this section, and any recommendations for consideration by the
26 legislature. The department shall submit this information to the
27 state budget director, the subcommittees, and the fiscal agencies.

1 Sec. 514. (1) From the funds appropriated in part 1 for the
2 bureau of children and adult licensing from the interdepartmental
3 grant from the department of education, the department shall
4 increase the number of child care licensing consultants and staff.
5 The purpose of the additional staff is to increase the number of
6 monitoring visits to applicants for a child care license and those
7 who are licensed to ensure the health and safety of children in
8 early learning settings across this state.

9 (2) By February 1, the department shall submit a report to the
10 subcommittees, the fiscal agencies, and the senate and house policy
11 offices detailing the improvements that the bureau of children and
12 adult licensing has achieved due to the increased number of child
13 care licensing consultants that were hired using the funds
14 appropriated in part 1 for the bureau of children and adult
15 licensing.

16 **EMPLOYMENT SERVICES**

17 Sec. 704. (1) The appropriation in part 1 for the bureau of
18 services for blind persons includes funds for case services. These
19 funds may be used for tuition payments for blind clients.

20 (2) Revenue collected by the bureau of services for blind
21 persons and from private and local sources that is unexpended at
22 the end of the fiscal year may carry forward to the subsequent
23 fiscal year.

24 Sec. 705. The bureau of services for blind persons shall work
25 collaboratively with service organizations and government entities
26 to identify qualified match dollars to maximize use of available

1 federal vocational rehabilitation funds.

2 Sec. 706. Not later than January 1, the department shall
3 submit a report to the subcommittees and fiscal agencies including,
4 but not limited to, the following information pertaining to the
5 activities of the youth low-vision program during the preceding
6 fiscal year:

7 (a) Number of individuals, classified by age, who received
8 services or devices.

9 (b) Description of the services and devices purchased under
10 the program.

11 (c) Total payments to each provider of services or devices,
12 classified by the county in which the provider is located.

13 (d) Amount by which private health insurance or other public
14 health programs were utilized to offset the expense of services or
15 devices.

16 (e) Amount of expenditures under the program that qualified
17 for federal matching revenue and the amount of federal matching
18 revenue received by the department.

19 Sec. 707. The bureau of services for blind persons may provide
20 and enter into agreements to provide general services, training,
21 meetings, information, special equipment, software, facility use,
22 and technical consulting services to other principal executive
23 departments, state agencies, local units of government, the
24 judicial branch of government, other organizations, and patrons of
25 department facilities. The department may charge fees for these
26 services that are reasonably related to the cost of providing the
27 services. In addition to the funds appropriated in part 1, funds

1 collected by the department for these services are appropriated for
2 all expenses necessary. The funds appropriated under this section
3 are allotted for expenditure when they are received by the
4 department of treasury.

5 **DEPARTMENT GRANTS**

6 Sec. 901. The appropriation in part 1 for fire protection
7 grants shall be appropriated to cities, villages, and townships
8 with state-owned facilities for fire services, instead of taxes, in
9 accordance with 1977 PA 289, MCL 141.951 to 141.956.

10 Sec. 902. (1) Not later than November 30, the department shall
11 prepare a report that provides the number of registry
12 identification cards issued to or renewed for patients residing in
13 each county as of September 30 of the preceding fiscal year, under
14 the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
15 333.26430. The department shall submit this report to the state
16 budget director, the subcommittees, and the fiscal agencies.

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

1 communication, and enforcement of the Michigan medical marihuana
2 act, 2008 IL 1, MCL 333.26421 to 333.26430.

3 (3) No later than December 1, the department shall post a
4 listing of potential grant money available to each county law
5 enforcement office on its website. A county law enforcement office
6 requesting a grant shall apply on a form developed by the
7 department and available on the website. The form shall contain the
8 county law enforcement office's specific projected plan for use of
9 the money and its agreement to maintain all records and to submit
10 documentation to the department to support the use of the grant
11 money.

12 (4) In order to be eligible to receive a grant under
13 subsection (2), a county law enforcement office shall apply no
14 later than January 1 and agree to report how the grant was expended
15 and provide that report to the department no later than September
16 15. The department shall submit a report no later than October 15
17 of the subsequent fiscal year to the state budget director, the
18 subcommittees, and the fiscal agencies detailing the grant amounts
19 by recipient and the reported uses of the grants in the preceding
20 fiscal year.

21 (5) County law enforcement offices may distribute
22 discretionary grants made under subsection (2) to municipal law
23 enforcement agencies for the operation and oversight of the
24 Michigan medical marihuana program pursuant to section 6(1) of the
25 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
26 county law enforcement office distributes a discretionary grant in
27 this manner, that county law enforcement office shall require the

1 receiving municipal law enforcement agency to provide a report on
2 how that grant was spent. Reports from municipal law enforcement
3 agencies shall be included as part of the report submitted to the
4 department as required in subsection (4).

5 Sec. 903. (1) The amount appropriated in part 1 for
6 firefighter training grants shall only be expended for payments to
7 counties to reimburse organized fire departments for firefighter
8 training and other activities required under the firefighters
9 training council act, 1966 PA 291, MCL 29.361 to 29.377.

10 (2) If the amount appropriated in part 1 for firefighter
11 training grants is expended by the firefighter training council,
12 established in section 3 of the firefighters training council act,
13 1966 PA 291, MCL 29.363, for payments to counties under section 14
14 of the firefighters training council act, 1966 PA 291, MCL 29.374,
15 it is the intent of the legislature that:

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

19 (b) If the amount disbursed to any county under subsection
20 (2)(a) is less than \$5,000.00, the amounts disbursed to each county
21 under subsection (2)(a) shall be adjusted to provide for a minimum
22 payment of \$5,000.00 to each county.

23 (3) No later than February 1, the department shall submit a
24 financial report to the subcommittees and fiscal agencies
25 identifying the following information for the preceding fiscal
26 year:

27 (a) The amount of the payments that would be made to each

1 county if the distribution formula described by the first sentence
2 of section 14(2) of the firefighters training council act, 1966 PA
3 291, MCL 29.374, would have been utilized to disburse the total
4 amount appropriated in part 1 for firefighter training grants.

5 (b) The amount of the payments approved by the firefighter
6 training council for disbursement to each county.

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

9 (d) A description of any other payments or expenditures made
10 under the authority of the firefighter training council.

11 (e) The amount of payments approved for disbursements to
12 counties that was not expended or encumbered and lapsed back to the
13 fireworks safety fund.

14 (4) It is the intent of the legislature that the amount
15 appropriated in part 1 for firefighter training grants be adjusted
16 each fiscal year to reflect lapses from the preceding fiscal year
17 into the fireworks safety fund created in section 11 of the
18 Michigan fireworks safety act, 2011 PA 256, MCL 28.461, for the
19 purpose of ensuring that lapsed grant funds are reallocated in
20 subsequent fiscal years.

21 Sec. 904. (1) The funds appropriated in part 1 for a regional
22 or subregional library shall not be released until a budget for
23 that regional or subregional library has been approved by the
24 department for expenditures for library services directly serving
25 the blind and persons with disabilities.

26 (2) In order to receive subregional state aid as appropriated
27 in part 1, a regional or subregional library's fiscal agency shall

1 agree to maintain local funding support at the same level in the
2 current fiscal year as in the fiscal agency's preceding fiscal
3 year. If a reduction in expenditures equally affects all agencies
4 in a local unit of government that is the regional or subregional
5 library's fiscal agency, that reduction shall not be interpreted as
6 a reduction in local support and shall not disqualify a regional or
7 subregional library from receiving state aid under part 1. If a
8 reduction in income affects a library cooperative or district
9 library that is a regional or subregional library's fiscal agency
10 or a reduction in expenditures for the regional or subregional
11 library's fiscal agency, a reduction in expenditures for the
12 regional or subregional library shall not be interpreted as a
13 reduction in local support and shall not disqualify a regional or
14 subregional library from receiving state aid under part 1.

15 PART 2A

16 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

17 FOR FISCAL YEAR 2016-2017

18 **GENERAL SECTIONS**

19 Sec. 1201. Except as otherwise provided in this part, it is
20 the intent of the legislature to provide appropriations for the
21 fiscal year ending on September 30, 2017 for the line items listed
22 in part 1. The fiscal year 2016-2017 appropriations are anticipated
23 to be the same as those for fiscal year 2015-2016, except that the
24 line items will be adjusted for changes in caseload and related
25 costs, federal fund match rates, economic factors, and available

1 revenue. These adjustments will be determined after the January
2 2016 consensus revenue estimating conference.

3 Sec. 1202. It is the intent of the legislature that the
4 department identify the amounts for normal retirement costs and
5 legacy retirement costs for the fiscal year ending on September 30,
6 2017 for the line items listed in part 1.