

EXECUTIVE REORGANIZATION ORDER

E.R.O. No. 1994-2

421.92 Transfer of powers and duties of Michigan employment security commission and Michigan employment security advisory council, with certain exceptions, to director of employment security by type III transfer; rescission of E.R.O. No. 1986-2 and E.R.O. No. 1991-21.

WHEREAS, Article V, Section 2, of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, the Michigan Employment Security Commission was created by Act No. 1 of the Public Acts of 1936 (Ex. Sess.), being Section 421.1 et seq. of the Michigan Compiled Laws; and

WHEREAS, the Michigan Employment Security Advisory Council was also created by Act No. 1 of the Public Acts of 1936 (Ex. Sess.), being Section 421.1 et seq. of the Michigan Compiled Laws; and

WHEREAS, the functions, duties and responsibilities assigned to the Michigan Employment Security Commission can, with certain exceptions, be more effectively organized and carried out under the supervision and direction of the Director of Employment Security; and

WHEREAS, the functions, duties and responsibilities assigned to the Michigan Employment Security Advisory Council can be more effectively organized and carried out under the supervision and direction of the Director of Employment Security; and

WHEREAS, it is necessary in the interests of efficient administration and effectiveness of government to effect changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the powers vested in me by the Constitution of the State of Michigan of 1963 and the laws of the State of Michigan, do hereby order the following:

1. All the statutory authority, powers, duties, functions and responsibilities, including the functions of budgeting, procurement and management-related functions of the Michigan Employment Security Commission, created under Section 3 of Act No. 1 of the Public Acts of 1936 (Ex. Sess.), being Section 421.3 of the Michigan Compiled Laws, are hereby transferred, except as set out below, to the Director of Employment Security by a Type III transfer as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws, and the Michigan Employment Security Commission is hereby abolished; provided, however, that the authority, powers, duties, functions and responsibilities set out below are transferred as follows:

(a) Pursuant to Article V, Section 2, of the Constitution of the State of Michigan of 1963, the power to appoint the Director of Employment Security contained in Section 5 of Act No. 1 of the Public Acts of 1936 (Ex. Sess.), being Section 421.5 of the Michigan Compiled Laws, is hereby vested in the Governor.

(b) All budgeting and management-related matters shall be reviewable by the Department of Management and Budget and subject to the Management and Budget Act, Act No. 431 of the Public Acts of 1984, as amended, being Section 18.1101 et seq. of the Michigan Compiled Laws, including, without limitation, the following:

(1) The planning, establishment and maintenance of automated, information processing systems and the design, implementation and maintenance of effective and efficient support systems.

(2) The acquisition, construction, improvement or demolition of facilities and the rental and lease of facilities subject to the provisions of Section 223 of Act No. 431 of the Public Acts of 1984, being Section 18.1223 of the Michigan Compiled Laws.

(3) The purchase of or the contracting for providing supplies, materials, services, insurance, utilities, third-party financing, equipment, printing and other items.

(c) All matters subject to the provisions of Act No. 2 of the Public Acts of 1921, as amended, being Section 17.1 et seq. of the Michigan Compiled Laws, shall be carried out pursuant to the general supervisory control of the State Administrative Board in accordance with the rules and procedures of the State Administrative Board.

2. All the statutory authority, powers, duties, functions and responsibilities of the Michigan Employment Security Advisory Council, created under Section 3a of Act No. 1 of the Public Acts of 1936 (Ex. Sess.), as amended, being Section 421.3a of the Michigan Compiled Laws, are hereby transferred to the Director of Employment Security by a Type III transfer as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws, and the Michigan Employment Security Advisory Council is hereby

abolished.

3. The Director of Employment Security shall provide executive direction and supervision for the implementation of the transfers. The assigned functions shall be administered under the direction and supervision of the Director of Employment Security and all prescribed functions of rule making, licensing and registration, including the prescription of rules, regulations, standards and adjudications, shall be transferred to the Director of Employment Security.

4. All records, personnel, property and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to the Michigan Employment Security Commission and the Michigan Employment Security Advisory Council for the activities transferred to the Director of Employment Security by this Order are hereby transferred to the Director of Employment Security.

5. The Director of Employment Security shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

6. The Director of Employment Security shall immediately initiate coordination to facilitate the transfer and develop a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and State laws and regulations or other obligations to be resolved by the Michigan Employment Security Commission and the Michigan Employment Security Advisory Council.

7. All rules, orders, contracts and agreements relating to the assigned functions lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

8. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action or other proceeding may be maintained by, against or before the appropriate successor of any entity affected by this Order.

9. Executive Order No. 1986-7 (E.R.O. No. 1986-2) and Executive Order No. 1991-30 are hereby rescinded.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the State of Michigan of 1963, the provisions of this Executive Order shall become effective 60 days after the filing of this Order.

History: 1994, E.R.O. No. 1994-2, Eff. Mar. 29, 1994