

EXECUTIVE REORGANIZATION ORDER

E.R.O. No. 2024-1

16.734 Transfer of Michigan office of postsecondary educational attainment from department of labor and economic opportunity to department of lifelong education, advancement, and potential; transfer of Michigan Indian tuition waiver from department of civil rights to department of lifelong education, advancement, and potential; transfer of Michigan tax tribunal from Michigan office of administrative hearings and rules to department of licensing and regulatory affairs; modification of membership of the workers' disability compensation appeals commission.

Educational attainment after high school is a key determinant of economic opportunity and social mobility. My administration has been focused on ensuring that Michigan is providing the best opportunity for its residents and attracting and retaining talent. With the establishment of the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP), Michigan has an executive department dedicated to advancing our lifelong education efforts—from preschool through postsecondary. Creating a single place in state government to lead our work to increase degree attainment helps more people make it in Michigan.

It is also important that the Michigan Tax Tribunal and the Workers' Disability Compensation Appeals Commission have the tools to exercise their functions as efficiently as possible. This reorganization gives the Tax Tribunal increased autonomy. It also streamlines the process for ensuring that the Workers' Disability Compensation Appeals Commission can proceed expeditiously to hear appeals even when conflicts arise. The transfers contained in this order will increase the efficiency and effectiveness of state government.

Section 1 of article 5 of the Michigan Constitution of 1963 vests the executive power of the State of Michigan in the governor.

Section 2 of article 5 of the Michigan Constitution of 1963 empowers the governor to make changes in the organization of the executive branch of state government or in the assignment of functions among its units that the governor considers necessary for efficient administration.

Acting pursuant to the Michigan Constitution of 1963 and Michigan law, I order the following:

1. Transfers from the Department of Labor and Economic Opportunity

(a) Michigan Office of Postsecondary Educational Attainment

(1) All authority, powers, duties, functions, and responsibilities related to the Michigan Office of Postsecondary Educational Attainment, established under MCL 388.1841d, are hereby transferred to the Michigan Department of Lifelong Education, Advancement, and Potential. The transfer includes the civil service personnel and the programs, records, property, and allocations or other funds of the Office.

2. Transfers from the Department of Civil Rights

(a) Michigan Indian Tuition Waiver

(1) All authority, powers, duties, functions, and responsibilities related to the Michigan Indian Tuition Waiver, created under 1976 PA 174, MCL 390.1251 et seq., and transferred to the Department of Civil Rights by Executive Reorganization Order 1999-6 (E.O. 1999-9), are hereby transferred to the Michigan Department of Lifelong Education, Advancement, and Potential. The transfer includes the civil service personnel and the programs, records, property, and allocations or other funds of the Office.

3. Department of Licensing and Regulatory Affairs

(a) Transfer of the Michigan Tax Tribunal to the Department of Licensing and Regulatory Affairs

(1) The Michigan Tax Tribunal, created under the Tax Tribunal Act, 1973 PA 186, as amended, MCL 205.701 et seq., is transferred by Type I transfer from the Michigan Office of Administrative Hearings and Rules to the Department of Licensing and Regulatory Affairs. As a Type I agency, the Michigan Tax Tribunal shall exercise its prescribed authority, powers, duties, functions, and responsibilities independently of the director of the Department of Licensing and Regulatory Affairs. The budgeting, procurement, and related management functions of the Michigan Tax Tribunal shall be performed under the direction and supervision of the director of the Department of Licensing and Regulatory Affairs.

4. Amendment to Executive Order No. 2019-13

(a) Section 4(b) of Executive Order No. 2019-13 is rescinded and replaced with the following:

(1) The Workers' Disability Compensation Appeals Commission will include three members appointed by the governor with the advice and consent of the senate. The Workers' Disability Compensation Appeals Commission shall act by the vote of two or more members. If the Workers' Disability Compensation Appeals Commission does not have the vote of two or more members to decide a case because a member cannot participate due to a conflict under section 4(g) or for any other reason, the director of the Workers' Disability Compensation Agency or the director's designated representative shall randomly assign a member of the Workers' Compensation Board of Magistrates who is not subject to disqualification in that case to participate in the case and cast a vote upon a review of the record. In the event that two members of the Workers' Disability Compensation Appeals Commission cannot participate in a case because of a conflict under section 4(g) or for any other reason, the director of the Workers' Disability Compensation Agency or the director's designated representative shall randomly assign two members of the Workers' Compensation Board of Magistrates who are not subject to disqualification in that case to participate in the case and cast votes upon a review of the record. Members of the Workers' Disability Compensation Appeals Commission must be appointed for a term of four years. A member may continue to serve until a successor is appointed and qualified. A vacancy occurring before the expiration of a term will be filled in the same manner as the original appointment for the remainder of the term.

5. Implementation of Transfers

(a) Except as otherwise provided by this Order, the director of each applicable department shall provide executive direction and supervision for the implementation of all transfers to the director's department under this Order.

(b) Except as otherwise provided by this Order, the director of each applicable department shall administer the assigned functions transferred to the director's department under this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

(c) The directors of all state departments and agencies having authority transferred under this Order shall immediately initiate coordination to facilitate the transfers and develop memoranda of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved related to the authority to be transferred.

(d) All records, property, and unexpended balances of appropriations, allocations, or other funds used, held, employed, available to be made for activities, powers, duties, functions, and responsibilities transferred to a department under this Order are hereby transferred to that department.

(e) Except as otherwise provided by this Order, the director of each applicable department may delegate a duty or power conferred by law or this Order and the person to whom such duty or power is delegated may perform such duty or exercise such power at the time and to the extent that such duty or power is delegated by the director.

(f) All rules, orders, contracts, and agreements related to the functions transferred by this Order lawfully adopted prior to the effective date of this Order by the responsible state department or agency shall continue to be effective until revised, amended, or rescinded.

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

6. Reserved Authority

(a) Nothing in this Order should be construed to diminish the constitutional authority of the State Board of Education to provide leadership and general supervision over all public education, including adult education and instructional programs in state institutions, except as to institutions of higher education granting baccalaureate degrees, and its authority to serve as the general planning and coordinating body for all public education including higher education, and to advise the legislature as to the financial requirements in connection therewith.

(b) Nothing in this Order should be construed to diminish the constitutional authority of the boards of institutions of higher education to supervise their respective institutions and control and direct the expenditure of the institutions' funds.

If any portion of this order is found to be unenforceable, the unenforceable provision should be disregarded, and the rest of the order should remain in effect as issued.

Consistent with section 2 of article 5 of the Michigan Constitution of 1963, this order is effective March 18, 2024, at 12:01 a.m.

History: 2024, E.R.O. No. 2024-1, Eff. Mar. 18, 2024

Compiler's Notes: Executive Reorganization Order No. 2024-1 was promulgated January 17, 2024, as Executive Order No. 2024-2, Eff. Mar. 18, 2024.