

(2) For taxes levied before January 1, 1999, the property tax administration fee paid to the county treasurer shall be credited to the general fund of the county and the property tax administration fee paid to the state treasurer shall be credited to the land reutilization fund created in section 78n. Amounts credited to the general fund of the county shall be used only for the purposes specified in subsection (6).

(3) For taxes levied before January 1, 1999, and for taxes levied after December 31, 1998, a county board of commissioners, by resolution, may provide all of the following for taxes paid before May 1 in the first year of delinquency for the homestead property of a senior citizen, paraplegic, hemiplegic, quadriplegic, eligible serviceman, eligible veteran, eligible widow, totally and permanently disabled person, or blind person, as those persons are defined in chapter 9 of the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if a claim is made before February 15 for the credit provided by chapter 9 of the income tax act of 1967, 1967 PA 281, MCL 206.501 to 206.532, if that claimant presents a copy of the form filed for that credit to the county treasurer, and if that claimant has not received the credit before March 1:

(a) Any interest, fee, or penalty in excess of the interest, fee, or penalty that would have been added if the tax had been paid before February 15 is waived.

(b) Interest paid under subsection (1) or section 89(1)(a) is waived unless the interest is pledged to the repayment of delinquent tax revolving fund notes or payable to the county delinquent tax revolving fund, in which case the interest shall be refunded from the general fund of the county.

(c) The county property tax administration fee is waived.

(4) The treasurer of the local tax collecting unit shall indicate on the delinquent tax roll if a 1% property tax administration fee was added to taxes collected before February 15.

(5) The fees authorized and collected under this section and credited to the delinquent property tax administration fund shall be used by the department of treasury to pay expenses incurred in the administration of this act.

(6) The county property tax administration fee shall be used by the county to offset the costs incurred in and ancillary to collecting delinquent property taxes and for purposes authorized by sections 87b and 87d.

### **211.78n Land reutilization fund.**

Sec. 78n. (1) The land reutilization fund is created within the department of treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund, including a transfer of funds from the delinquent property tax administration fund as provided in subsection (5). The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(4) The department of treasury may expend money from the fund for 1 or more of the following purposes:

(a) Contracts with title insurance companies pursuant to section 78i.

(b) Costs of determining addresses, service of notices, and recording fees incurred pursuant to section 78i.

(c) Defense of title actions as determined by the state treasurer.

(d) Other costs incurred in administering the foreclosure and disposition of property forfeited for delinquent taxes under this act.

(5) The state treasurer may transfer to the fund any balance remaining in the delinquent property tax administration fund of this state created in section 59.

(6) As used in this section, “fund” means the land reutilization fund created in this section.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 3, 2007.

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**[No. 627]**

**(HB 6315)**

AN ACT to amend 1915 PA 63, entitled “An act to provide for the furnishing of suitable flag holders and United States flags for the graves of veterans who served in the armed forces of the United States for the marking and designation of the graves for memorial purposes; and to provide a penalty for the removal or destruction of the flag holders and United States flags when placed,” by amending sections 1 and 1a (MCL 35.831 and 35.831a), section 1 as amended by 2005 PA 26 and section 1a as added by 2005 PA 27.

*The People of the State of Michigan enact:*

**35.831 Flag holders and United States flags for veterans’ graves in cemetery belonging to city, village, municipality, or township; petition; expense; purpose.**

Sec. 1. (1) The legislative body of a city, village, municipality, or township in this state, upon the petition of a local, or an affiliate of, a recognized veterans’ organization or of 5 eligible voters of the city, village, municipality, or township, shall procure for and furnish to the petitioners, at the expense of the city, village, municipality, or township, a suitable flag holder and United States flag for the grave of each veteran who served in the armed forces of the United States and who is buried within the limits of a public or private cemetery located within the city, village, municipality, or township. The requirement to provide a suitable flag holder and United States flag for private cemeteries does not apply in the current fiscal year where an initial request for a suitable flag holder and United States flag exceeds 50 graves within a particular township, but would apply in the following fiscal year at that township.

(2) A flag holder and United States flag shall be placed on the grave of a veteran for the purpose of marking and designating the grave for memorial purposes.

**35.831a Flag holder and United States flag; procurement by county; expense; purpose.**

Sec. 1a. (1) The legislative body of a county in this state, upon petition of a local, or a local affiliate of, a recognized veterans’ organization or of 5 eligible voters of the county, may procure for and furnish to the petitioners, at the expense of the county, a suitable flag holder and United States flag for the grave of each veteran who served in the armed forces of the United States and who is buried in any public or private cemetery located within the limits of the county.

(2) A flag holder and United States flag shall be placed on the grave of a veteran for the purpose of marking and designating the grave for memorial purposes.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 3, 2007.

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**[No. 628]**

**(HB 4918)**

AN ACT to amend 1968 PA 357, entitled “An act to prescribe the powers, duties and functions of the state officers’ compensation commission; and to prescribe the powers and duties of the legislature in relation to the commission,” by amending section 7 (MCL 15.217).

*The People of the State of Michigan enact:*

**15.217 Salary and expense determinations; concurrent resolution adopted by legislature; approval or amendment.**

Sec. 7. The determinations of the commission shall be the salaries and expense allowances only if the legislature by concurrent resolution adopted by a majority of the members elected to and serving in each house of the legislature approve them. The senate and house of representatives shall alternate on which house of the legislature shall originate the concurrent resolution, with the senate originating the first concurrent resolution in 2009. The concurrent resolution may amend the salary and expense determinations of the state officers compensation commission to reduce the salary and expense determinations by the same proportion for the members of the legislature, the governor, the lieutenant governor, the attorney general, the secretary of state, and the justices of the supreme court. The legislature shall not amend the salary and expense determinations to reduce them to below the salary and expense level that the members of the legislature, the governor, the lieutenant governor, the attorney general, the secretary of state, and the justices of the supreme court receive on the date the salary and expense determinations are made. If the salary and expense determinations are approved or amended as provided in this section, the salary and expense determinations shall become effective for the regular legislative session immediately following the next general election.

**Effective date.**

Enacting section 1. This amendatory act takes effect January 1, 2008.

Approved January 3, 2007.

Filed with Secretary of State January 3, 2007.

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**[No. 629]**

**(HB 4919)**

AN ACT to amend 1968 PA 357, entitled “An act to prescribe the powers, duties and functions of the state officers’ compensation commission; and to prescribe the powers and duties of the legislature in relation to the commission,” by amending sections 1, 3, and 6 (MCL 15.211, 15.213, and 15.216).

*The People of the State of Michigan enact:*

**15.211 Commission; assignment to department of civil service; expiration of members' terms; appointment of members; reappointments prohibited; vacancies; ineligibility.**

Sec. 1. The state officers' compensation commission created by section 12 of article 4 of the state constitution of 1963 is assigned to the department of civil service for the purposes of administration, budgeting, procurement, and related management functions. For members appointed to a new term after December 31, 2007, the members' terms shall expire on January 1 of the fourth year following appointment. For members appointed to a new term after December 31, 2007, the members shall be appointed prior to January 31 of the year of appointment. A member may not be reappointed. Vacancies shall be filled by the governor for the remainder of the unexpired term. A member or employee of the legislative, judicial, or executive branch of government shall not be eligible to be a member of the commission.

**15.213 Commission; meetings; quorum; actions or determinations by concurrence of majority; chairperson; secretary; subcommittees.**

Sec. 3. The commission shall meet for not more than 15 session days beginning after January 31 of every odd numbered year. Four members of the commission constitute a quorum for conducting the business of the commission. The commission shall not take action or make determinations without a concurrence of a majority of the members appointed and serving on the commission. The commission shall elect a chairperson from among its members. The state personnel director shall act as the secretary to the commission. The commission may establish subcommittees.

**15.216 Commission; determination of salaries and expense allowances; filing determinations; copies.**

Sec. 6. The commission shall determine the salaries and expense allowance of the governor, the lieutenant governor, the attorney general, the secretary of state, the justices of the supreme court, and the members of the legislature and file its determinations with the clerk of the house of representatives, the secretary of the senate, and the director of the department of management and budget on or before June 15 of each odd numbered year and shall furnish copies to the governor, the lieutenant governor, the attorney general, the secretary of state, the justices of the supreme court, and the members of the legislature. The report may be furnished in an electronic format.

**Effective date.**

Enacting section 1. This amendatory act takes effect January 1, 2008.

Approved January 3, 2007.

Filed with Secretary of State January 3, 2007.

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**[No. 630]**

**(HB 4420)**

AN ACT to amend 1975 PA 238, entitled "An act to require the reporting of child abuse and neglect by certain persons; to permit the reporting of child abuse and neglect by all persons; to provide for the protection of children who are abused or neglected; to authorize limited detainment in protective custody; to authorize medical examinations; to prescribe

the powers and duties of the state department of social services to prevent child abuse and neglect; to prescribe certain powers and duties of local law enforcement agencies; to safeguard and enhance the welfare of children and preserve family life; to provide for the appointment of legal counsel; to provide for the abrogation of privileged communications; to provide civil and criminal immunity for certain persons; to provide rules of evidence in certain cases; to provide for confidentiality of records; to provide for the expungement of certain records; to prescribe penalties; and to repeal certain acts and parts of acts,” by amending sections 8 and 17 (MCL 722.628 and 722.637), as amended by 2006 PA 256.

*The People of the State of Michigan enact:*

**722.628 Referring report or commencing investigation; informing parent or legal guardian of investigation; duties of department; assistance of and cooperation with law enforcement officials; procedures; proceedings by prosecuting attorney; cooperation of school or other institution; information as to disposition of report; exception to reporting requirement; surrender of newborn; training of employees in rights of children and families.**

Sec. 8. (1) Within 24 hours after receiving a report made under this act, the department shall refer the report to the prosecuting attorney if the report meets the requirements of section 3(6) or (9) or shall commence an investigation of the child suspected of being abused or neglected. Within 24 hours after receiving a report whether from the reporting person or from the department under section 3(6) or (9), the local law enforcement agency shall refer the report to the department if the report meets the requirements of section 3(7) or shall commence an investigation of the child suspected of being abused or neglected or exposed to or who has had contact with methamphetamine production. If the child suspected of being abused or exposed to or who has had contact with methamphetamine production is not in the physical custody of the parent or legal guardian and informing the parent or legal guardian would not endanger the child’s health or welfare, the agency or the department shall inform the child’s parent or legal guardian of the investigation as soon as the agency or the department discovers the identity of the child’s parent or legal guardian.

(2) In the course of its investigation, the department shall determine if the child is abused or neglected. The department shall cooperate with law enforcement officials, courts of competent jurisdiction, and appropriate state agencies providing human services in relation to preventing, identifying, and treating child abuse and neglect; shall provide, enlist, and coordinate the necessary services, directly or through the purchase of services from other agencies and professions; and shall take necessary action to prevent further abuses, to safeguard and enhance the child’s welfare, and to preserve family life where possible. In the course of an investigation, at the time that a department investigator contacts an individual about whom a report has been made under this act or contacts an individual responsible for the health or welfare of a child about whom a report has been made under this act, the department investigator shall advise that individual of the department investigator’s name, whom the department investigator represents, and the specific complaints or allegations made against the individual. The department shall ensure that its policies, procedures, and administrative rules ensure compliance with the provisions of this act.

(3) In conducting its investigation, the department shall seek the assistance of and cooperate with law enforcement officials within 24 hours after becoming aware that 1 or more of the following conditions exist:

- (a) Abuse or neglect is the suspected cause of a child’s death.
- (b) The child is the victim of suspected sexual abuse or sexual exploitation.

(c) Abuse or neglect resulting in severe physical injury to the child. For purposes of this subdivision and section 17, “severe physical injury” means an injury to the child that requires medical treatment or hospitalization and that seriously impairs the child’s health or physical well-being.

(d) Law enforcement intervention is necessary for the protection of the child, a department employee, or another person involved in the investigation.

(e) The alleged perpetrator of the child’s injury is not a person responsible for the child’s health or welfare.

(f) The child has been exposed to or had contact with methamphetamine production.

(4) Law enforcement officials shall cooperate with the department in conducting investigations under subsections (1) and (3) and shall comply with sections 5 and 7. The department and law enforcement officials shall conduct investigations in compliance with the protocols adopted and implemented as required by subsection (6).

(5) Involvement of law enforcement officials under this section does not relieve or prevent the department from proceeding with its investigation or treatment if there is reasonable cause to suspect that the child abuse or neglect was committed by a person responsible for the child’s health or welfare.

(6) In each county, the prosecuting attorney and the department shall develop and establish procedures for involving law enforcement officials as provided in this section. In each county, the prosecuting attorney and the department shall adopt and implement standard child abuse and neglect investigation and interview protocols using as a model the protocols developed by the governor’s task force on children’s justice as published in FIA Publication 794 (revised 8-98) and FIA Publication 779 (8-98), or an updated version of those publications.

(7) If there is reasonable cause to suspect that a child in the care of or under the control of a public or private agency, institution, or facility is an abused or neglected child, the agency, institution, or facility shall be investigated by an agency administratively independent of the agency, institution, or facility being investigated. If the investigation produces evidence of a violation of section 145c or sections 520b to 520g of the Michigan penal code, 1931 PA 328, MCL 750.145c and 750.520b to 750.520g, the investigating agency shall transmit a copy of the results of the investigation to the prosecuting attorney of the county in which the agency, institution, or facility is located.

(8) A school or other institution shall cooperate with the department during an investigation of a report of child abuse or neglect. Cooperation includes allowing access to the child without parental consent if access is determined by the department to be necessary to complete the investigation or to prevent abuse or neglect of the child. However, the department shall notify the person responsible for the child’s health or welfare about the department’s contact with the child at the time or as soon afterward as the person can be reached. The department may delay the notice if the notice would compromise the safety of the child or child’s siblings or the integrity of the investigation, but only for the time 1 of those conditions exists.

(9) If the department has contact with a child in a school, all of the following apply:

(a) Before contact with the child, the department investigator shall review with the designated school staff person the department’s responsibilities under this act and the investigation procedure.

(b) After contact with the child, the department investigator shall meet with the designated school staff person and the child about the response the department will take as a result of contact with the child. The department may also meet with the designated school

staff person without the child present and share additional information the investigator determines may be shared subject to the confidentiality provisions of this act.

(c) Lack of cooperation by the school does not relieve or prevent the department from proceeding with its responsibilities under this act.

(10) A child shall not be subjected to a search at a school that requires the child to remove his or her clothing to expose his buttocks or genitalia or her breasts, buttocks, or genitalia unless the department has obtained an order from a court of competent jurisdiction permitting such a search. If the access occurs within a hospital, the investigation shall be conducted so as not to interfere with the medical treatment of the child or other patients.

(11) The department shall enter each report made under this act that is the subject of a field investigation into the CPSI system. The department shall maintain a report entered on the CPSI system as required by this subsection until the child about whom the investigation is made is 18 years old or until 10 years after the investigation is commenced, whichever is later, or, if the case is classified as a central registry case, until the department receives reliable information that the perpetrator of the abuse or neglect is dead. Unless made public as specified information released under section 7d, a report that is maintained on the CPSI system is confidential and is not subject to the disclosure requirements of the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(12) After completing a field investigation and based on its results, the department shall determine in which single category, prescribed by section 8d, to classify the allegation of child abuse or neglect.

(13) Except as provided in subsection (14), upon completion of the investigation by the local law enforcement agency or the department, the law enforcement agency or department may inform the person who made the report as to the disposition of the report.

(14) If the person who made the report is mandated to report under section 3, upon completion of the investigation by the department, the department shall inform the person in writing as to the disposition of the case and shall include in the information at least all of the following:

(a) What determination the department made under subsection (12) and the rationale for that decision.

(b) Whether legal action was commenced and, if so, the nature of that action.

(c) Notification that the information being conveyed is confidential.

(15) Information sent under subsection (14) shall not include personally identifying information for a person named in a report or record made under this act.

(16) Unless section 5 of chapter XII of the probate code of 1939, 1939 PA 288, MCL 712.5, requires a physician to report to the department, the surrender of a newborn in compliance with chapter XII of the probate code of 1939, 1939 PA 288, MCL 712.1 to 712.20, is not reasonable cause to suspect child abuse or neglect and is not subject to the section 3 reporting requirement. This subsection does not apply to circumstances that arise on or after the date that chapter XII of the probate code of 1939, 1939 PA 288, MCL 712.1 to 712.20, is repealed. This subsection applies to a newborn whose birth is described in the born alive infant protection act and who is considered to be a newborn surrendered under the safe delivery of newborns law as provided in section 3 of chapter XII of the probate code of 1939, 1939 PA 288, MCL 712.3.

(17) All department employees involved in investigating child abuse or child neglect cases shall be trained in the legal duties to protect the state and federal constitutional and statutory rights of children and families from the initial contact of an investigation through the time services are provided.



**722.637 Submission of petition for authorization under MCL 712A.2; exception.**

Sec. 17. (1) Except as provided in subsection (2), within 24 hours after the department determines that a child was severely physically injured as defined in section 8, sexually abused, or allowed to be exposed to or have contact with methamphetamine production, the department shall submit a petition for authorization by the court under section 2(b) of chapter XI A of 1939 PA 288, MCL 712A.2.

(2) The department is not required to file a petition for authorization by the court as described in subsection (1) if the department determines that the parent or legal guardian is not a suspected perpetrator of the abuse and the department determines that all of the following apply:

- (a) The parent or legal guardian did not neglect or fail to protect the child.
- (b) The parent or legal guardian does not have a historical record that shows a documented pattern of neglect or failing to protect the child.
- (c) The child is safe in the parent's or legal guardian's care.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 3, 2007.

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**[No. 631]****(SB 1032)**

AN ACT to amend 1927 PA 175, entitled "An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 1 of chapter XI (MCL 771.1), as amended by 2004 PA 219.



*The People of the State of Michigan enact:*

CHAPTER XI

**771.1 Requirements for probation; delayed sentence; fee; applicability of section to certain juveniles.**

Sec. 1. (1) In all prosecutions for felonies, misdemeanors, or ordinance violations other than murder, treason, criminal sexual conduct in the first or third degree, armed robbery, or major controlled substance offenses, if the defendant has been found guilty upon verdict or plea and the court determines that the defendant is not likely again to engage in an offensive or criminal course of conduct and that the public good does not require that the defendant suffer the penalty imposed by law, the court may place the defendant on probation under the charge and supervision of a probation officer.

(2) In an action in which the court may place the defendant on probation, the court may delay sentencing the defendant for not more than 1 year to give the defendant an opportunity to prove to the court his or her eligibility for probation or other leniency compatible with the ends of justice and the defendant's rehabilitation, such as participation in a drug treatment court under chapter 10A of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060 to 600.1082. When sentencing is delayed, the court shall enter an order stating the reason for the delay upon the court's records. The delay in passing sentence does not deprive the court of jurisdiction to sentence the defendant at any time during the period of delay.

(3) If a defendant is before the circuit court and the court delays imposing sentence under subsection (2), the court shall include in the delayed sentence order that the department of corrections shall collect a supervision fee of not more than \$135.00 multiplied by the number of months of delay ordered, but not more than 12 months. The fee is payable when the delayed sentence order is entered, but the fee may be paid in monthly installments if the court approves installment payments for that defendant. In determining the amount of the fee, the court shall consider the defendant's projected income and financial resources. The court shall use the following table of projected monthly income in determining the amount of the fee to be ordered:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
\$ 0-249.99	\$ 0.00
\$ 250.00-499.99	\$ 10.00
\$ 500.00-749.99	\$ 25.00
\$ 750.00-999.99	\$ 40.00
\$1,000.00 or more	5% of projected monthly income, but not more than \$135.00

The court may order a higher amount than indicated by the table, up to the maximum of \$135.00 multiplied by the number of months of delay ordered but not more than 12 months, if the court determines that the defendant has sufficient assets or other financial resources to warrant the higher amount. If the court orders a higher amount, the amount and the reasons for ordering that amount shall be stated in the court order. The fee shall be collected as provided in section 25a of the corrections code of 1953, 1953 PA 232, MCL 791.225a. A person shall not be subject to more than 1 supervision fee at the same time. If a supervision fee is ordered for a person for any month or months during which that person already is subject to a supervision fee, the court shall waive the fee having the shorter remaining duration.

(4) This section does not apply to a juvenile placed on probation and committed under section 1(3) or (4) of chapter IX to an institution or agency described in the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 3, 2007.

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**[No. 632]**

**(SB 583)**

AN ACT to amend 2002 PA 593, entitled “An act to create and provide for the operation of the Michigan next energy authority; to provide for the powers and duties of the authority; to promote alternative energy technology and economic growth; and to exempt property of an authority from tax,” by amending section 2 (MCL 207.822).

*The People of the State of Michigan enact:*

**207.822 Definitions.**

Sec. 2. As used in this act:

(a) “Advanced battery cell” means a rechargeable battery cell with a specific energy of not less than 80 watt hours per kilogram.

(b) “Alternative energy marine propulsion system” means an onboard propulsion system or detachable outboard propulsion system for a watercraft that is powered by an alternative energy system and that is the singular propulsion system for the watercraft. Alternative energy marine propulsion system does not include battery powered motors designed to assist in the propulsion of the watercraft during fishing or other recreational use.

(c) “Alternative energy system” means the small-scale generation or release of energy from 1 or any combination of the following types of energy systems:

- (i) A fuel cell energy system.
- (ii) A photovoltaic energy system.
- (iii) A solar-thermal energy system.
- (iv) A wind energy system.
- (v) A CHP energy system.
- (vi) A microturbine energy system.
- (vii) A miniturbine energy system.
- (viii) A Stirling cycle energy system.
- (ix) A battery cell energy system.
- (x) A clean fuel energy system.
- (xi) An electricity storage system.
- (xii) A biomass energy system.
- (xiii) A thermoelectric energy system.

(d) “Alternative energy technology” means equipment, component parts, materials, electronic devices, testing equipment, and related systems that are specifically designed, specifically fabricated, and used primarily for 1 or more of the following:

(i) The storage, generation, reformation, or distribution of clean fuels integrated within an alternative energy system or alternative energy vehicle, not including an anaerobic digester energy system or a hydroelectric energy system, for use within the alternative energy system or alternative energy vehicle.

(ii) The process of generating and putting into a usable form the energy generated by an alternative energy system. Alternative energy technology does not include those component parts of an alternative energy system that are required regardless of the energy source.

(iii) A microgrid. As used in this subparagraph, “microgrid” means the lines, wires, fuel lines and fuel reformers, and controls to connect 2 or more alternative energy systems.

(iv) Research and development of an alternative energy vehicle.

(v) Research, development, and manufacturing of an alternative energy system.

(vi) Research, development, and manufacturing of an anaerobic digester energy system.

(vii) Research, development, and manufacturing of a hydroelectric energy system.

(e) “Alternative energy technology business” means a business engaged solely in the research, development, or manufacturing of alternative energy technology.

(f) “Alternative energy vehicle” means a motor vehicle manufactured by an original equipment manufacturer that fully warrants and certifies that the motor vehicle meets federal motor vehicle safety standards for its class of vehicles as defined by the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, and certifies that the motor vehicle meets local emissions standards, that is propelled by an alternative energy system. Alternative energy vehicle includes the following:

(i) An alternative fueled vehicle. As used in this subparagraph, “alternative fueled vehicle” means a motor vehicle that can only be powered by a clean fuel energy system and can only be fueled by a clean fuel.

(ii) A fuel cell vehicle. As used in this subparagraph, “fuel cell vehicle” means a motor vehicle powered solely by a fuel cell energy system.

(iii) An electric vehicle. As used in this subparagraph, “electric vehicle” means a motor vehicle powered solely by a battery cell energy system.

(iv) A hybrid vehicle. As used in this subparagraph, “hybrid vehicle” means a motor vehicle that can only be powered by an internal combustion engine and 1 or more alternative energy systems.

(v) A solar vehicle. As used in this subparagraph, “solar vehicle” means a motor vehicle powered solely by a photovoltaic energy system.

(vi) A hybrid electric vehicle. As used in this subparagraph, “hybrid electric vehicle” means a motor vehicle powered by an integrated propulsion system consisting of an electric motor and combustion engine. Hybrid electric vehicle does not include a retrofitted conventional diesel or gasoline engine. A hybrid electric vehicle obtains the power necessary to propel the motor vehicle from a combustion engine and 1 of the following:

(A) A battery cell energy system.

(B) A fuel cell energy system.

(C) A photovoltaic energy system.

(vii) A hydraulic hybrid vehicle. As used in this subparagraph, “hydraulic hybrid vehicle” means a motor vehicle powered by a regenerative hydraulic drive system or powered by an internal combustion engine assisted by a regenerative hydraulic drive system.

(g) “Alternative energy zone” means a renaissance zone designated as an alternative energy zone by the board of the Michigan strategic fund under section 8a of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2688a.

(h) “Anaerobic digester energy system” means a device or system of devices for optimizing the anaerobic digestion of biomass for the purpose of recovering biofuel for energy production.

(i) “Authority” means the Michigan next energy authority created under section 3.

(j) “Battery cell” means a closed electrochemical system that converts chemical energy from oxidation and reduction reactions directly into electric energy without combustion and without external fuel and consists of an anode, a cathode, and an electrolyte.

(k) “Battery cell energy system” means 1 or more battery cells and an inverter or other power conditioning unit used to perform 1 or more of the following functions:

(i) Propel a motor vehicle or an alternative energy marine propulsion system.

(ii) Provide electricity that is distributed within a dwelling or other structure.

(iii) Provide electricity to operate a portable electronic device including, but not limited to, a laptop computer, a personal digital assistant, or a cell phone. For purposes of this subparagraph only, a battery cell energy system shall only use advanced battery cells.

(l) “Biomass energy system” means a system that generates energy from a process using residues from wood and paper products industries, food production and processing, trees and grasses grown specifically to be used as energy crops, and gaseous fuels produced from solid biomass, animal waste, municipal wastes, or landfills.

(m) “Board” means the governing body of an authority under section 4.

(n) “CHP energy system” means an integrated unit that generates power and either cools, heats, or controls humidity in a building or provides heating, drying, or chilling for an industrial process that includes and is limited to both of the following:

(i) An absorption chiller, a desiccant dehumidifier, or heat recovery equipment.

(ii) One of the following:

(A) An internal combustion engine, an external combustion engine, a microturbine, or a miniturbine, fueled solely by a clean fuel.

(B) A fuel cell energy system.

(o) “Clean fuel” means 1 or more of the following:

(i) Methane.

(ii) Natural gas.

(iii) Methanol neat or methanol blends containing at least 85% methanol.

(iv) Denatured ethanol neat or ethanol blends containing at least 85% ethanol.

(v) Compressed natural gas.

(vi) Liquefied natural gas.

(vii) Liquefied petroleum gas.

(viii) Hydrogen.

(ix) Renewable fuels.

(p) “Clean fuel energy system” means a device that is designed and used solely for the purpose of generating power from a clean fuel. Clean fuel energy system does not include a conventional gasoline or diesel fuel engine or a retrofitted conventional diesel or gasoline engine.

(q) “Department” means the department of management and budget.

(r) “Electricity storage device” means a device, including a capacitor, that directly stores electrical energy without conversion to an intermediary medium.

(s) “Electricity storage system” means 1 or more electricity storage devices and inverters or other power conditioning equipment.

(t) “Fuel cell energy system” means 1 or more fuel cells or fuel cell stacks and an inverter or other power conditioning unit. A fuel cell energy system may also include a fuel processor. As used in this subdivision:

(i) “Fuel cell” means an electrochemical device that uses an external fuel and continuously converts the energy released from the oxidation of fuel by oxygen directly into electricity without combustion and consists of an anode, a cathode, and an electrolyte.

(ii) “Fuel cell stack” means an assembly of fuel cells.

(iii) “Fuel processor” means a device that converts a fuel, including, but not limited to, methanol, natural gas, or gasoline, into a hydrogen rich gas, without combustion for use in a fuel cell.

(u) “Hydroelectric energy system” means a system related to the process of generating or putting into usable form the energy produced solely from flowing or falling water. The system may consist of a turbine, generator, alternator, electronic devices, or other directly related component parts.

(v) “Microturbine energy system” means a system that generates electricity, composed of a compressor, combustor, turbine, and generator, fueled solely by a clean fuel with a capacity of not more than 250 kilowatts. A microturbine energy system may include an alternator and shall include a recuperator if the use of the recuperator increases the efficiency of the energy system.

(w) “Miniturbine energy system” means a system that generates electricity, composed of a compressor, combustor, turbine, and generator, fueled solely by a clean fuel with a capacity of not more than 2 megawatts. A miniturbine energy system may also include an alternator and a recuperator.

(x) “Person” means an individual, partnership, corporation, limited liability company, association, governmental entity, or other legal entity.

(y) “Photovoltaic energy system” means a solar energy device composed of 1 or more photovoltaic cells or photovoltaic modules and an inverter or other power conditioning unit. A photovoltaic system may also include batteries for power storage or an electricity storage device. As used in this subdivision:

(i) “Photovoltaic cell” means an integrated device consisting of layers of semiconductor materials and electrical contacts capable of converting incident light directly into electricity.

(ii) “Photovoltaic module” means an assembly of photovoltaic cells.

(z) “Regenerative hydraulic drive system” means a system that captures energy from nonparasitic vehicle sources or energy wasted by a vehicle’s brakes or suspension to be released to directly assist vehicle propulsion or directly propel the vehicle.

(aa) “Renewable fuels” means 1 or more of the following:

(i) Biodiesel or biodiesel blends containing at least 20% biodiesel. As used in this subparagraph, “biodiesel” means a diesel fuel substitute consisting of methyl or ethyl esters produced from the transesterification of animal or vegetable fats with methanol or ethanol.

(ii) Biomass. As used in this subparagraph, “biomass” means wood and paper products industries, food production and processing, trees and grasses grown specifically to be used as energy crops, and gaseous fuels produced from solid biomass, animal waste, municipal wastes, or landfills.

(bb) “Small-scale” means 1 or more of the following:

(i) A single energy system with a generating capacity of not more than 2 megawatts or an integrated energy system with a generating capacity of not more than 10 megawatts.

(ii) A single energy system or an integrated energy system with any generating capacity that is 1 or more of the following:

(A) A fuel cell energy system.

(B) A photovoltaic energy system.

(C) A wind energy system.

(cc) “Solar thermal energy system” means an integrated unit consisting of a sunlight collection device, a system containing a heat transfer fluid to receive the collected sunlight, and heat exchangers to transfer the solar energy to a thermal storage tank to heat or cool spaces or fluids or to generate electricity.

(dd) “Stirling cycle energy system” means a closed-cycle, regenerative heat engine that is fueled solely by a clean fuel and uses an external combustion process, heat exchangers, pistons, a regenerator, and a confined working gas, such as hydrogen or helium, to convert heat into mechanical energy. A Stirling cycle energy system may also include a generator to generate electricity.

(ee) “Thermoelectric energy system” means a system that generates energy by converting thermal energy into electrical energy using direct heat from a clean fuel energy system or waste heat from any source. A thermoelectric energy system also includes an energy system that utilizes alkali metal thermal-to-electric conversion technology.

(ff) “Wind energy system” means an integrated unit consisting of a wind turbine composed of a rotor, an electrical generator, a control system, an inverter or other power conditioning unit, and a tower, which uses moving air to produce power.

This act is ordered to take immediate effect.

Approved December 30, 2006.

Filed with Secretary of State January 4, 2007.

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**[No. 633]**

**(SB 803)**

AN ACT to amend 1893 PA 206, entitled “An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts,” by amending section 8 (MCL 211.8), as amended by 2002 PA 620.

*The People of the State of Michigan enact:*

### **211.8 Personal property; scope.**

Sec. 8. For the purposes of taxation, personal property includes all of the following:

- (a) All goods, chattels, and effects within this state.
- (b) All goods, chattels, and effects belonging to inhabitants of this state, located without this state, except that property actually and permanently invested in business in another state shall not be included.
- (c) All interests owned by individuals in real property, the fee title to which is in this state or the United States, except as otherwise provided in this act.
- (d) For taxes levied before January 1, 2003, buildings and improvements located upon leased real property, except if the value of the real property is also assessed to the lessee or owner of those buildings and improvements. For taxes levied after December 31, 2002, buildings and improvements located upon leased real property, except buildings and improvements exempt under section 9f or improvements assessable under subdivision (h), shall be assessed as real property under section 2 to the owner of the buildings or improvements in the local tax collecting unit in which the buildings or improvements are located if the value of the buildings or improvements is not otherwise included in the assessment of the real property. For taxes levied after December 31, 2001, buildings and improvements exempt under section 9f or improvements assessable under subdivision (h) and located on leased real property shall be assessed as personal property.
- (e) Tombs or vaults built within any burial grounds and kept for hire or rent, in whole or in part, and the stock of a corporation or association owning the tombs, vaults, or burial grounds.
- (f) All other personal property not enumerated in this section and not especially exempted by law.
- (g) The personal property of gas and coke companies, natural gas companies, electric light companies, waterworks companies, hydraulic companies, and pipe line companies transporting oil or gas as public or common carriers, to be assessed in the local tax collecting unit in which the personal property is located. The mains, pipes, supports, and wires of these companies, including the supports and wire or other line used for communication purposes in the operation of those facilities, and the rights of way and the easements or other interests in real property by virtue of which the mains, pipes, supports, and wires are erected and maintained, shall be assessed as personal property in the local tax collecting unit where laid, placed, or located. Interests in underground rock strata used for gas storage purposes, whether by lease or ownership separate from the surface of real property, shall be separately valued and assessed as personal property in the local tax collecting unit in which it is located to the person who holds the interest. Interests in underground rock strata shall be reported as personal property to the appropriate assessing officer for all property descriptions included in the storage field in the local tax collecting unit and a separate valuation shall be assessed for each school district. The personal property of street railroad, plank road, cable or electric railroad or transportation companies, bridge companies, and all other companies not required to pay a specific tax to this state in lieu of all other taxes, shall, except as otherwise provided in this section, be assessed in the local tax collecting unit in which the property is located, used, or laid, and the track, road, or bridge of a company is considered personal property. None of the property assessable as personal property under this subdivision shall be affected by any assessment or tax levied on the real property through or over which the personal property is laid, placed, or located, nor shall any right of way, easement, or other interest in real property, assessable



as personal property under this subdivision, be extinguished or otherwise affected in case the real property subject to assessment is sold in the exercise of the taxing power.

(h) During the tenancy of a lessee, leasehold improvements and structures installed and constructed on real property by the lessee, provided and to the extent the improvements or structures add to the true cash taxable value of the real property notwithstanding that the real property is encumbered by a lease agreement, and the value added by the improvements or structures is not otherwise included in the assessment of the real property or not otherwise assessable under subdivision (j). The cost of leasehold improvements and structures on real property shall not be the sole indicator of value. Leasehold improvements and structures assessed under this subdivision shall be assessed to the lessee.

(i) A leasehold estate received by a sublessor from which the sublessor receives net rentals in excess of net rentals required to be paid by the sublessor except to the extent that the excess rentals are attributable to the installation and construction of improvements and structures assessed under subdivision (h) or (j) or included in the assessment of the real property. For purposes of this act, a leasehold estate is considered to be owned by the lessee receiving additional net rentals. A lessee in possession is required to provide the assessor with the name and address of its lessor. Taxes collected under this act on leasehold estates shall become a lien against the rentals paid by the sublessee to the sublessor.

(j) To the extent not assessed as real property, a leasehold estate of a lessee created by the difference between the income that would be received by the lessor from the lessee on the basis of the present economic income of the property as defined and allowed by section 27(4), minus the actual value to the lessor under the lease. This subdivision does not apply to property if subject to a lease entered into before January 1, 1984 for which the terms of the lease governing the rental rate or the tax liability have not been renegotiated after December 31, 1983. This subdivision does not apply to a nonprofit housing cooperative. As used in this subdivision, “nonprofit cooperative housing corporation” means a nonprofit cooperative housing corporation that is engaged in providing housing services to its stockholders and members and that does not pay dividends or interest upon stock or membership investment but that does distribute all earnings to its stockholders or members.

(k) For taxes levied after December 31, 2002, a trade fixture.

(l) For taxes levied after December 31, 2005, a wind energy system. As used in this subdivision, “wind energy system” means an integrated unit consisting of a wind turbine composed of a rotor, an electrical generator, a control system, an inverter or other power conditioning unit, and a tower, which uses moving air to produce power.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 4, 2007.

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**[No. 634]**

**(HB 5389)**

AN ACT to amend 1939 PA 280, entitled “An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the

blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates,” (MCL 400.1 to 400.119b) by adding sections 109i and 109j.

*The People of the State of Michigan enact:*

#### **400.109i Locally or regionally based single point of entry agencies for long-term care.**

Sec. 109i. (1) The director of the department of community health shall designate and maintain locally or regionally based single point of entry agencies for long-term care that shall serve as visible and effective access points for individuals seeking long-term care and that shall promote consumer choice and quality in long-term care options.

(2) The department of community health shall monitor single point of entry agencies for long-term care to assure, at a minimum, all of the following:

(a) That bias in functional and financial eligibility determination or assistance and the promotion of specific services to the detriment of consumer choice and control does not occur.

(b) That consumer assessments and support plans are completed in a timely, consistent, and quality manner through a person-centered planning process and adhere to other criteria established by this section and the department of community health.

(c) The provision of quality assistance and supports.

(d) That quality assistance and supports are provided to applicants and consumers in a manner consistent with their cultural norms, language of preference, and means of communication.

(e) Consumer access to an independent consumer advocate.

(f) That data and outcome measures are being collected and reported as required under this act and by contract.

(g) That consumers are able to choose their supports coordinator.

(3) The department of community health shall establish and publicize a toll-free telephone number for areas of the state in which a single point of entry agency is operational as a means of access.

(4) The department of community health shall require that single point of entry agencies for long-term care perform the following duties and responsibilities:

(a) Provide consumers and any others with unbiased information promoting consumer choice for all long-term care options, services, and supports.

(b) Facilitate movement between supports, services, and settings in a timely manner that assures consumers' informed choice, health, and welfare.

(c) Assess consumers' eligibility for all medicaid long-term care programs utilizing a comprehensive level of care assessment approved by the department of community health.

(d) Assist consumers in obtaining a financial determination of eligibility for publicly funded long-term care programs.

(e) Assist consumers in developing their long-term care support plans through a person-centered planning process.

(f) Authorize access to medicaid programs for which the consumer is eligible and that are identified in the consumer's long-term care supports plan. The single point of entry agency for long-term care shall not refuse to authorize access to medicaid programs for which the consumer is eligible.

(g) Upon request of a consumer, his or her guardian, or his or her authorized representative, facilitate needed transition services for consumers living in long-term care settings if those consumers are eligible for those services according to a policy bulletin approved by the department of community health.

(h) Work with designated representatives of acute and primary care settings, facility settings, and community settings to assure that consumers in those settings are presented with information regarding the full array of long-term care options.

(i) Reevaluate the consumer's eligibility and need for long-term care services upon request of the consumer, his or her guardian, or his or her authorized representative or according to the consumer's long-term care support plan.

(j) Except as otherwise provided in subdivisions (k) and (l), provide the following services within the prescribed time frames:

(i) Perform an initial evaluation for long-term care within 2 business days after contact by the consumer, his or her guardian, or his or her authorized representative.

(ii) Develop a preliminary long-term care support plan in partnership with the consumer and, if applicable, his or her guardian or authorized representative within 2 business days after the consumer is found to be eligible for services.

(iii) Complete a final evaluation and assessment within 10 business days from initial contact with the consumer, his or her guardian, or his or her authorized representative.

(k) For a consumer who is in an urgent or emergent situation, within 24 hours after contact is made by the consumer, his or her guardian, or his or her authorized representative, perform an initial evaluation and develop a preliminary long-term care support plan. The preliminary long-term care support plan shall be developed in partnership with the consumer and, if applicable, his or her guardian or authorized representative.

(l) Except as provided in subsection (20), for a consumer who receives notice that within 72 hours he or she will be discharged from a hospital, within 24 hours after contact is made by the consumer, his or her guardian, his or her authorized representative, or the hospital discharge planner, perform an initial evaluation and develop a preliminary long-term care support plan. The preliminary long-term care support plan shall be developed in partnership with the consumer and, if applicable, his or her guardian, his or her authorized representative, or the hospital discharge planner.

(m) Initiate contact with and be a resource to hospitals within the area serviced by the single point of entry agencies for long-term care.

(n) Provide consumers with information on how to contact an independent consumer advocate and a description of the advocate's mission. This information shall be provided in a publication prepared by the department of community health in consultation with these entities. This information shall also be posted in the office of a single point of entry agency.

(o) Collect and report data and outcome measures as required by the department of community health, including, but not limited to, the following data:

(i) The number of referrals by level of care setting.

(ii) The number of cases in which the care setting chosen by the consumer resulted in costs exceeding the costs that would have been incurred had the consumer chosen to receive care in a nursing home.

(iii) The number of cases in which admission to a long-term care facility was denied and the reasons for denial.

(iv) The number of cases in which a memorandum of understanding was required.

(v) The rates and causes of hospitalization.

(vi) The rates of nursing home admissions.

(vii) The number of consumers transitioned out of nursing homes.

(viii) The average time frame for case management review.

(ix) The total number of contacts and consumers served.

(x) The data necessary for the completion of the cost-benefit analysis required under subsection (11).

(xi) The number and types of referrals made.

(xii) The number and types of referrals that were not able to be made and the reasons why the referrals were not completed, including, but not limited to, consumer choice, services not available, consumer functional or financial ineligibility, and financial prohibitions.

(p) Maintain consumer contact information and long-term care support plans in a confidential and secure manner.

(q) Provide consumers with a copy of their preliminary and final long-term care support plans and any updates to the long-term care plans.

(5) The department of community health, in consultation with the office of long-term care supports and services, the Michigan long-term care supports and services advisory commission, the department, and the office of services to the aging, shall promulgate rules to establish criteria for designating local or regional single point of entry agencies for long-term care that meet all of the following criteria:

(a) The designated single point of entry agency for long-term care does not provide direct or contracted medicaid services. For the purposes of this section, the services required to be provided under subsection (4) are not considered medicaid services.

(b) The designated single point of entry agency for long-term care is free from all legal and financial conflicts of interest with providers of medicaid services.

(c) The designated single point of entry agency for long-term care is capable of serving as the focal point for all individuals, regardless of age, seeking information about long-term care in their region, including individuals who will pay privately for services.

(d) The designated single point of entry agency for long-term care is capable of performing required consumer data collection, management, and reporting.

(e) The designated single point of entry agency for long-term care has quality standards, improvement methods, and procedures in place that measure consumer satisfaction and monitor consumer outcomes.

(f) The designated single point of entry agency for long-term care has knowledge of the federal and state statutes and regulations governing long-term care settings.

(g) The designated single point of entry agency for long-term care maintains an internal and external appeal process that provides for a review of individual decisions.

(h) The designated single point of entry agency for long-term care is capable of delivering single point of entry services in a timely manner according to standards established by the department of community health and as prescribed in subsection (4).

(6) A single point of entry agency for long-term care that fails to meet the criteria described in this section or other fiscal and performance standards prescribed by contract and subsection (7) or that intentionally and knowingly presents biased information that is intended to steer consumer choice to particular long-term care supports and services is subject to disciplinary action by the department of community health. Disciplinary action may include, but is not limited to, increased monitoring by the department of community health, additional reporting, termination as a designated single point of entry agency by the department of community health, or any other action as provided in the contract for a single point of entry agency.

(7) Fiscal and performance standards for a single point of entry agency include, but are not limited to, all of the following:

(a) Maintaining administrative costs that are reasonable, as determined by the department of community health, in relation to spending per client.

(b) Identifying savings in the annual state medicaid budget or limits in the rate of growth of the annual state medicaid budget attributable to providing services under subsection (4) to consumers in need of long-term care services and supports, taking into consideration medicaid caseload and appropriations.

(c) Consumer satisfaction with services provided under subsection (4).

(d) Timeliness of delivery of services provided under subsection (4).

(e) Quality, accessibility, and availability of services provided under subsection (4).

(f) Completing and submitting required reporting and paperwork.

(g) Number of consumers served.

(h) Number and type of long-term care services and supports referrals made.

(i) Number and type of long-term care services and supports referrals not completed, taking into consideration the reasons why the referrals were not completed, including, but not limited to, consumer choice, services not available, consumer functional or financial ineligibility, and financial prohibitions.

(8) The department of community health shall develop standard cost reporting methods as a basis for conducting cost analyses and comparisons across all publicly funded long-term care systems and shall require single point of entry agencies to utilize these and other compatible data collection and reporting mechanisms.

(9) The department of community health shall solicit proposals from entities seeking designation as a single point of entry agency and, except as provided in subsection (16) and section 109j, shall initially designate not more than 4 agencies to serve as a single point of entry agency in at least 4 separate areas of the state. There shall not be more than 1 single point of entry agency in each designated area. An agency designated by the department of community health under this subsection shall serve as a single point of entry agency for an initial period of up to 3 years, subject to the provisions of subsection (6). In accordance with subsection (17), the department shall require that a consumer residing in an area served by a single point of entry agency designated under this subsection utilize that agency if the consumer is seeking eligibility for medicaid long-term care programs.

(10) The department of community health shall evaluate the performance of single point of entry agencies under this section on an annual basis.

(11) The department of community health shall engage a qualified objective independent agency to conduct a cost-benefit analysis of single point of entry, including, but not limited to, the impact on medicaid long-term care costs. The cost-benefit analysis required in this subsection shall include an analysis of the cost to hospitals when there is a delay in a patient's discharge from a hospital due to the hospital's compliance with the provisions of this section.

(12) The department of community health shall make a summary of the annual evaluation, any report or recommendation for improvement regarding the single point of entry, and the cost-benefit analysis available to the legislature and the public.

(13) Not earlier than 12 months after but not later than 24 months after the implementation of the single point of entry agency designated under subsection (9), the department of community health shall submit a written report to the senate and house of representatives standing committees dealing with long-term care issues, the chairs of the senate and house of representatives appropriations committees, the chairs of the senate and house of representatives appropriations subcommittees on community health, and the senate and house fiscal agencies regarding the array of services provided by the designated single point of entry agencies and the cost, efficiencies, and effectiveness of single point of entry. In the report required under this subsection, the department of community health shall provide recommendations regarding the continuation, changes, or cancellation of single point of entry agencies based on data provided under subsections (4) and (10) to (12).

(14) Beginning in the year the report is submitted and annually after that, the department of community health shall make a presentation on the status of single point of entry and on the summary information and recommendations required under subsection (12) to the senate and house of representatives appropriations subcommittees on community health to ensure that legislative review of single point of entry shall be part of the annual state budget development process.

(15) The department of community health shall promulgate rules to implement this section not later than 270 days after submitting the report required in subsection (13).

(16) The department of community health shall not designate more than the initial 4 agencies designated under subsection (9) to serve as single point of entry agencies or agencies similar to single point of entry agencies unless all of the following occur:

(a) The written report is submitted as provided under subsection (13).

(b) Twelve months have passed since the submission of the written report required under subsection (13).

(c) The legislature appropriates funds to support the designation of additional single point of entry agencies.

(17) A single point of entry agency for long-term care shall serve as the sole agency within the designated single point of entry area to assess a consumer's eligibility for medicaid long-term care programs utilizing a comprehensive level of care assessment approved by the department of community health.

(18) Although a community mental health services program may serve as a single point of entry agency to provide services to individuals with mental illness or developmental disability, community mental health services programs are not subject to the provisions of this act.

(19) Medicaid reimbursement for health facilities or agencies shall not be reduced below the level of rates and payments in effect on October 1, 2006, as a direct result of the 4 pilot single point of entry agencies designated under subsection (9).

(20) The provisions of this section and section 109j do not apply after December 31, 2011.

(21) Funding for the MI Choice Waiver program shall not be reduced below the level of rates and payments in effect on October 1, 2006, as a direct result of the 4 pilot single point of entry agencies designated under subsection (9).

(22) A single point of entry agency for long-term care may establish a memorandum of understanding with any hospital within its designated area that allows the single point of

entry agency for long-term care to recognize and utilize an initial evaluation and preliminary long-term care support plan developed by the hospital discharge planner if those plans were developed with the consumer, his or her guardian, or his or her authorized representative.

(23) For the purposes of this section:

(a) “Administrative costs” means the costs that are used to pay for employee salaries not directly related to care planning and supports coordination and administrative expenses necessary to operate each single point of entry agency.

(b) “Administrative expenses” means the costs associated with the following general administrative functions:

(i) Financial management, including, but not limited to, accounting, budgeting, and audit preparation and response.

(ii) Personnel management and payroll administration.

(iii) Purchase of goods and services required for administrative activities of the single point of entry agency, including, but not limited to, the following goods and services:

(A) Utilities.

(B) Office supplies and equipment.

(C) Information technology.

(D) Data reporting systems.

(E) Postage.

(F) Mortgage, rent, lease, and maintenance of building and office space.

(G) Travel costs not directly related to consumer services.

(H) Routine legal costs related to the operation of the single point of entry agency.

(c) “Authorized representative” means a person empowered by the consumer by written authorization to act on the consumer’s behalf to work with the single point of entry, in accordance with this act.

(d) “Guardian” means an individual who is appointed under section 5306 of the estates and protected individuals code, 1998 PA 386, MCL 700.5306. Guardian includes an individual who is appointed as the guardian of a minor under section 5202 or 5204 of the estates and protected individuals code, 1998 PA 386, MCL 700.5202 and 700.5204, or who is appointed as a guardian under the mental health code, 1974 PA 258, MCL 300.1001 to 300.2106.

(e) “Informed choice” means that the consumer is presented with complete and unbiased information on his or her long-term care options, including, but not limited to, the benefits, shortcomings, and potential consequences of those options, upon which he or she can base his or her decision.

(f) “Person-centered planning” means a process for planning and supporting the consumer receiving services that builds on the individual’s capacity to engage in activities that promote community life and that honors the consumer’s preferences, choices, and abilities. The person-centered planning process involves families, friends, and professionals as the consumer desires or requires.

(g) “Single point of entry” means a program from which a current or potential long-term care consumer can obtain long-term care information, screening, assessment of need, care planning, supports coordination, and referral to appropriate long-term care supports and services.



(h) “Single point of entry agency” means the organization designated by the department of community health to provide case management functions for consumers in need of long-term care services within a designated single point of entry area.

#### **400.109j Designation of single point of entry agencies; limitation.**

Sec. 109j. The department of community health shall not designate more than the initial 4 agencies designated under section 109i(9) to serve as single point of entry agencies or agencies similar to single point of entry agencies unless the conditions of section 109i(16) are met and the legislature repeals this section.

This act is ordered to take immediate effect.

Approved December 30, 2006.

Filed with Secretary of State January 4, 2007.

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### **[No. 635]**

### **(SB 1353)**

AN ACT to amend 1978 PA 368, entitled “An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,” (MCL 333.1101 to 333.25211) by adding section 2681.

*The People of the State of Michigan enact:*

#### **333.2681 Definitions.**

Sec. 2681. As used in sections 2681 to 2683:

- (a) “Cord blood unit” means the blood collected from a single placenta and umbilical cord.
- (b) “Donor” means a mother who has delivered a baby and consents to donate the newborn’s blood remaining in the placenta and umbilical cord.
- (c) “Donor bank” means a qualified cord blood stem cell bank that enters into a contract with the director under section 2682.

(d) “Human cord blood stem cells” means hematopoietic stem cells and any other stem cells contained in the neonatal blood collected immediately after the birth from the separated placenta and umbilical cord.

(e) “Network” means the statewide network of qualified cord blood stem cell banks established under section 2682.

**Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless House Bill No. 6291 of the 93rd Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 4, 2007.

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**Compiler’s note:** House Bill No. 6291, referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 637, Imd. Eff. Jan. 4, 2007.

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**[No. 636]**

**(SB 1354)**

AN ACT to amend 1978 PA 368, entitled “An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,” (MCL 333.1101 to 333.25211) by adding section 2683a.

*The People of the State of Michigan enact:*

**333.2683a Statewide network of cord blood stem cell banks; public awareness efforts; report on expenditure of funds.**

Sec. 2683a. On or before April 1, 2007 and annually thereafter, the department shall submit to the house and senate appropriations subcommittees on community health, the house and senate standing committees on public health, the house and senate fiscal agencies, and the state budget director a report detailing the expenditure of funds related to both of the following:

(a) The statewide network of cord blood stem cell banks established under section 2682.

(b) The public awareness efforts required in this section.

**Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

- (a) House Bill No. 6291.
- (b) Senate Bill No. 1353.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 4, 2007.

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**Compiler's note:** House Bill No. 6291, referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 637, Imd. Eff. Jan. 4, 2007.

Senate Bill No. 1353, also referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 635, Imd. Eff. Jan. 4, 2007.

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**[No. 637]**

**(HB 6291)**

AN ACT to amend 1978 PA 368, entitled “An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,” (MCL 333.1101 to 333.25211) by adding section 2682.

*The People of the State of Michigan enact:*

**333.2682 Statewide network of cord blood stem cell banks.**

Sec. 2682. (1) If funding is made available, the department shall establish a statewide network of cord blood stem cell banks. The director of the department shall enter into contracts with qualified cord blood stem cell banks to assist in the establishment, provision, and maintenance of the network.

(2) A cord blood stem cell bank is eligible to enter the network and be a donor bank if it satisfies each of the following:

(a) Has obtained all applicable federal and state licenses, accreditations, certifications, registrations, and other authorizations required to operate and maintain a cord blood stem cell bank.

(b) Has implemented donor screening and cord blood collection practices adequate to protect both donors and transplant recipients and to prevent transmission of potentially harmful infections and other diseases.

(c) Has established a system of strict confidentiality to protect the identity and privacy of patients and donors in accordance with existing federal and state law and consistent with regulations promulgated under the health insurance portability and accountability act of 1996, Public Law 104-191, for the release of the identity of donors, recipients, or identifiable records.

(d) Has established a system for encouraging donation by an ethnically and racially diverse group of donors.

(e) Has developed adequate systems for communication with other cord blood stem cell banks, transplant centers, and physicians with respect to the request, release, and distribution of cord blood units nationally and has developed such systems, consistent with the regulations promulgated under the health insurance portability and accountability act of 1996, Public Law 104-191, to track recipients' clinical outcomes for distributed units.

(f) Has developed an objective system for educating the public, including patient advocacy organizations, about the benefits of donating and utilizing cord blood stem cells in appropriate circumstances.

(3) A donor bank that enters into the network shall do all of the following:

(a) Acquire, tissue-type, test, cryopreserve, and store donated units of human cord blood acquired with the informed consent of the donor, in a manner that complies with applicable federal regulations.

(b) Make cord blood units collected under this section, or otherwise, available to transplant centers for stem cell transplantation.

(c) Allocate up to 10% of the cord blood inventory each year for peer-reviewed research. This quota may be met by using cord blood units that did not meet the cell count standards necessary for transplantation.

(4) A board of directors shall govern and administer the state cord blood stem cell bank network. The board shall be appointed by the director and consist of members who represent each of the following:

(a) Cord blood stem cell transplant centers.

(b) Physicians from participating birthing hospitals.

(c) The cord blood stem cell research community.

(d) Recipients of cord blood stem cell transplants.

(e) Family members who have made a donation to a statewide cord blood stem cell bank.

(f) Individuals with expertise in the social sciences.

(g) Members of the general public.

(h) Each network donor bank.

(5) Except as otherwise provided under this subsection, each member of the board shall serve for a 3-year term and may be reappointed for 1 or more additional terms. Appointments for the initial members shall be for terms of 1, 2, and 3 years, respectively, so as to provide

for the subsequent appointment of an equal number of members each year. The board shall elect a chairperson and do each of the following:

- (a) Ensure that the donor banks within the network meet the requirements of subsection (2) on a continuing basis.
- (b) Encourage network donor banks to work collaboratively with other network donor banks and encourage network donor banks to focus their resources in their respective local or regional area.
- (c) Designate 1 or more established national or international cord blood registries to serve as a statewide cord blood stem cell registry.
- (d) Coordinate the donor banks in the network.

**Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

- (a) Senate Bill No. 1353.
- (b) House Bill No. 6293.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 4, 2007.

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**Compiler's note:** Senate Bill No. 1353, referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 635, Imd. Eff. Jan. 4, 2007.

House Bill No. 6293, also referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 638, Imd. Eff. Jan. 4, 2007.

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**[No. 638]**

**(HB 6293)**

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," (MCL 333.1101 to 333.25211) by adding section 2683.

*The People of the State of Michigan enact:*

**333.2683 Educational materials on uses and benefits of cord blood stem cells; development and dissemination; availability.**

Sec. 2683. (1) If funding is made available, the department shall promote public awareness and increase knowledge about the statewide network of cord blood stem cell banks, cord blood banking options, and the benefits of cord blood stem cells by developing and disseminating educational materials on the uses and benefits of cord blood stem cells, the viability of cord blood stem cells, information on research results utilizing cord blood stem cells, and any other related materials and information to enable the public to make informed decisions about the utilization of cord blood stem cells. Information shall include, but is not limited to, all of the following:

- (a) An explanation of the differences between public and private cord blood banking.
- (b) Information on the statewide network of cord blood stem cell banks.
- (c) Cord blood options available.
- (d) The medical process and risks involved in the collection of cord blood.
- (e) Medically accepted uses and benefits of cord blood collection and transplantation.
- (f) A statement that due to ongoing research and development there may be future uses and benefits of cord blood collection and transplantation.
- (g) An explanation of any costs to the donor associated with cord blood donation and storage.
- (h) Information on how to request printed materials and how to access other information available on the department's website.
- (i) Options for ownership and future use of the donated material.
- (j) An explanation of the storage, maintenance, and viability for transplantation of cord blood stem cells.

(2) The department, on its website, shall make the materials and information gathered and developed under subsection (1) available in printable format to the public and to health care facilities and agencies, cord blood banks, and health care professionals.

(3) The department shall encourage health care professionals and health care facilities and agencies, including, but not limited to, physicians, nurse midwives, nurses, hospitals, birthing facilities, and local health departments to disseminate information to a pregnant woman before her third trimester of pregnancy about cord blood donation and the options for cord blood banking.

**Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

- (a) House Bill No. 6291.
- (b) Senate Bill No. 1353.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 4, 2007.

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**Compiler's note:** House Bill No. 6291, referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 637, Imd. Eff. Jan. 4, 2007.

Senate Bill No. 1353, also referred to in enacting section 1, was filed with the Secretary of State January 4, 2007, and became 2006 PA 635, Imd. Eff. Jan. 4, 2007.

**[No. 639]****(HB 6295)**

AN ACT to amend 1984 PA 270, entitled “An act relating to the economic development of this state; to create the Michigan strategic fund and to prescribe its powers and duties; to transfer and provide for the acquisition and succession to the rights, properties, obligations, and duties of the job development authority and the Michigan economic development authority to the Michigan strategic fund; to provide for the expenditure of proceeds in certain funds to which the Michigan strategic fund succeeds in ownership; to provide for the issuance of, and terms and conditions for, certain notes and bonds of the Michigan strategic fund; to create certain boards and funds; to create certain permanent funds; to exempt the property, income, and operation of the fund and its bonds and notes, and the interest thereon, from certain taxes; to provide for the creation of certain centers within and for the purposes of the Michigan strategic fund; to provide for the creation and funding of certain accounts for certain purposes; to impose certain powers and duties upon certain officials, departments, and authorities of this state; to make certain loans, grants, and investments; to provide penalties; to make an appropriation; and to repeal acts and parts of acts,” by amending section 88a (MCL 125.2088a), as added by 2005 PA 225.

*The People of the State of Michigan enact:*

**125.2088a Definitions.**

Sec. 88a. As used in this chapter:

(a) “Advanced automotive, manufacturing, and materials technology” means any technology that involves 1 or more of the following:

(i) Materials with engineered properties created through the development of specialized process and synthesis technology.

(ii) Nanotechnology, including materials, devices, or systems at the atomic, molecular, or macromolecular level, with a scale measured in nanometers.

(iii) Microelectromechanical systems, including devices or systems integrating microelectronics with mechanical parts and a scale measured in micrometers.

(iv) Improvements to vehicle safety, vehicle performance, vehicle production, or environmental impact, including, but not limited to, vehicle equipment and component parts.

(v) A new technology, device, or system that enhances or improves the manufacturing process of wood, timber, or agricultural-based products.

(vi) Any technology that involves an alternative energy vehicle or its components, as alternative energy vehicle is defined under section 2 of the Michigan next energy authority act, 2002 PA 593, MCL 207.822.

(vii) Advanced computing or electronic device technology related to technology described under this subdivision.

(viii) Design, engineering, testing, or diagnostics related to technology described under this subdivision.

(ix) Product research and development related to technology described under this subdivision.

(b) “Advanced computing” means any technology used in the design and development of 1 or more of the following:

(i) Computer hardware and software.



(ii) Data communications.

(iii) Information technologies.

(c) “Alternative energy technology” means applied research or commercialization of new or next generation technology in 1 or more of the following:

(i) Alternative energy technology as that term is defined in section 2 of the Michigan next energy authority act, 2002 PA 593, MCL 207.822.

(ii) Devices or systems designed and used solely for the purpose of generating energy from agricultural crops, residue and waste generated from the production and processing of agricultural products, animal wastes, or food processing wastes, not including a conventional gasoline or diesel fuel engine or retrofitted conventional gasoline or diesel fuel engine.

(iii) A new technology, product, or system that permits the utilization of biomass for the production of specialty, commodity, or foundational chemicals or of novel or economical commodity materials through the application of biotechnology that minimizes, complements, or replaces reliance on petroleum for the production. Alternative energy technology also includes a new technology, product, or system that utilizes wind energy.

(iv) Advanced computing or electronic device technology related to technology described under this subdivision.

(v) Design, engineering, testing, or diagnostics related to technology described under this subdivision.

(vi) Product research and development related to a technology described under this subdivision.

(d) “Applied research” means translational research conducted with the objective of attaining a specific benefit or to solve a practical problem, or other research activity that seeks to utilize, synthesize, or apply existing knowledge, information, or resources to the resolution of a specified problem, question, or issue, with high potential for commercial application to create jobs in this state.

(e) “Basic research” means any original investigation for the advancement of scientific or technological knowledge that will enhance the research capacity of this state in a way that increases the ability to attract to or develop companies, jobs, researchers, or students in this state.

(f) “Commercialization” means the transition from research to the actions necessary to achieve market entry and general market competitiveness of new innovative technologies, processes, and products and the services that support, assist, equip, finance, or promote a person or an entity with that transition.

(g) “Competitive edge technology” means 1 or more of the following:

(i) Life sciences technology.

(ii) Advanced automotive, manufacturing, and materials technology.

(iii) Homeland security and defense technology.

(iv) Alternative energy technology.

(h) “Electronic device technology” means any technology that involves microelectronics, semiconductors, electronic equipment, and instrumentation, radio frequency, microwave, and millimeter electronics; optical and optic-electrical devices; or data and digital communications and imaging devices.

(i) “Fund board” means the board of the Michigan strategic fund described in section 5.

(j) “Homeland security and defense technology” means technology that assists in the assessment of threats or damage to the general population and critical infrastructure, protection

of, defense against, or mitigation of the effects of foreign or domestic threats, disasters, or attacks, or support for crisis or response management, including, but not limited to, 1 or more of the following:

(i) Sensors, systems, processes, or equipment for communications, identification and authentication, screening, surveillance, tracking, and data analysis.

(ii) Advanced computing or electronic device technology related to technology described under this subdivision.

(iii) Aviation technology, including, but not limited to, avionics, airframe design, sensors, early warning systems, and services related to technology described under this subdivision.

(iv) Design, engineering, testing, or diagnostics related to technology described under this subdivision.

(v) Product research and development related to technology described under this subdivision.

(k) “Independent peer review expert” means a person or persons selected by the commercialization board with appropriate expertise to conduct an independent, unbiased, objective, and competitive evaluation of activities funded under section 88k. The person or persons shall demonstrate the capability and experience, as appropriate or necessary for the particular activity funded, to do all of the following:

(i) Conduct a highly competitive and intensive, independent, multiphased, peer-review-based evaluation process.

(ii) Employ personnel with appropriate business, scientific, technical, commercial, or other specialized expertise to carry out each aspect of the evaluation process.

(iii) Provide recommendations to or assist the commercialization board in identifying high-quality activities for funding that are likely to result in the development and commercialization of competitive edge technology and job creation in this state. The recommendations shall include all materials used by the independent peer review expert in making the recommendation.

(iv) Assure that any peer review process developed maintains a high level of integrity.

(l) “Institution of higher education” means an institution of higher education or a community or junior college described in section 4, 5, 6, or 7 of article VIII of the state constitution of 1963 or an independent nonprofit degree-granting institution of postsecondary education in this state that is approved by the state board of education.

(m) “Jobs for Michigan investment fund” or “investment fund” means the jobs for Michigan investment fund created in section 88h.

(n) “Life sciences” means science for the examination or understanding of life or life processes, including, but not limited to, all of the following:

(i) Bioengineering.

(ii) Biomedical engineering.

(iii) Genomics.

(iv) Proteomics.

(v) Molecular and chemical ecology.

(vi) Biotechnology, including any technology that uses living organisms, cells, macromolecules, microorganisms, umbilical cord blood, or substances from living organisms to make or modify a product for useful purposes. Biotechnology or life sciences does not include any of the following:

(A) Activities prohibited under section 2685 of the public health code, 1978 PA 368, MCL 333.2685.

(B) Activities prohibited under section 2688 of the public health code, 1978 PA 368, MCL 333.2688.

(C) Activities prohibited under section 2690 of the public health code, 1978 PA 368, MCL 333.2690.

(D) Activities prohibited under section 16274 of the public health code, 1978 PA 368, MCL 333.16274.

(E) Stem cell research with human embryonic tissue.

(o) “Life sciences technology” means any technology derived from life sciences intended to improve human health or the overall quality of human life, including, but not limited to, systems, processes, or equipment for drug or gene therapies, biosensors, testing, medical devices or instrumentation with a therapeutic or diagnostic value, a pharmaceutical or other product that requires United States food and drug administration approval or registration prior to its introduction in the marketplace and is a drug or medical device as defined by the federal food, drug, and cosmetic act, 21 USC 301 to 399, or 1 or more of the following:

(i) Advanced computing or electronic device technology related to technology described under this subdivision.

(ii) Design, engineering, testing, or diagnostics related to technology or the commercial manufacturing of technology described under this subdivision.

(iii) Product research and development related to technology described under this subdivision.

(p) “Qualified business” means a business entity located in this state.

(q) “Qualified mezzanine fund” means a person or entity primarily engaged in making loans or investments ranging in size from \$250,000.00 to \$6,000,000.00 that is managed by 2 or more individuals with no less than 5 years’ direct experience in mezzanine lending or capital investments and that holds investment capital or has commitments from investors other than the fund and at least 2 financial institutions.

(r) “Qualified private equity fund” means a firm principally or primarily engaged in investing in or acquiring businesses that is managed by 2 or more individuals with no less than 5 years of direct experience in private equity investments, and that holds investment capital from investors other than the fund.

(s) “Qualified venture capital fund” means a firm principally or primarily engaged in investing in or acquiring early stage businesses with growth potential that have not yet demonstrated consistent profitability or a proven business model, that is managed by 2 or more individuals with not less than 5 years of direct experience in venture capital, and that holds capital from investors other than the fund.

(t) “Small business” means a business entity formed or doing business in this state, including the affiliates of the business concern, which business entity is independently owned and operated and employs fewer than 250 full-time employees or has gross annual sales of less than \$6,000,000.00.

(u) “21st century investments” means investments in 1 or more of the following:

(i) Commercial loan guarantees under a loan enhancement program operated by the fund.

(ii) Private equity investments under a private equity investment program operated by the fund.

(iii) Venture capital investments under a venture capital investment program operated by the fund.

(iv) Mezzanine investments under a mezzanine investment program operated by the fund.

(v) “Strategic economic investment and commercialization board” or “commercialization board” means the strategic economic investment and commercialization board created in section 88k.

(w) “University technology transfer” means innovative methods to accelerate the creation of start-up companies affiliated with institutions of higher education or the transfer of competitive edge technology research from an institution of higher education to a qualified business in Michigan.

This act is ordered to take immediate effect.

Approved January 3, 2007.

Filed with Secretary of State January 4, 2007.

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**[No. 640]**

**(SB 826)**

AN ACT to amend 1980 PA 299, entitled “An act to revise, consolidate, and classify the laws of this state regarding the regulation of certain occupations; to create a board for each of those occupations; to establish the powers and duties of certain departments and agencies and the boards of each occupation; to provide for the promulgation of rules; to provide for certain fees; to provide for penalties and civil fines; to establish rights, relationships, and remedies of certain persons under certain circumstances; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts,” by amending sections 601, 602, 604, 605, 2405, 2411, and 2412 (MCL 339.601, 339.602, 339.604, 339.605, 339.2405, 339.2411, and 339.2412), sections 601 and 602 as amended by 2005 PA 278, section 604 as amended by 1989 PA 261, and sections 2411 and 2412 as amended by 2001 PA 113, and by adding sections 606 and 2404a.

*The People of the State of Michigan enact:*

**339.601 Practicing regulated occupation or using designated title without license or registration; operation of barber college, school of cosmetology, or real estate school without license or approval; violation as misdemeanor; penalties; unlicensed residential builder or residential maintenance and alteration contractor; restitution; injunctive relief; exceptions; “affected person” defined; investigation; remedies; performance of services by interior designer; notification of conviction to bureau of commercial services.**

Sec. 601. (1) A person shall not engage in or attempt to engage in the practice of an occupation regulated under this act or use a title designated in this act unless the person possesses a license or registration issued by the department for the occupation.

(2) A school, institution, or person shall not operate or attempt to operate a barber college, school of cosmetology, or real estate school unless the school, institution, or person is licensed or approved by the department.

(3) Subject to section 411, a person whose license or registration is suspended, revoked, or lapsed, as determined by the records of the department, is considered unlicensed or unregistered.

(4) Except as otherwise provided for in section 735, a person, school, or institution that violates subsection (1) or (2) is guilty of a misdemeanor, punishable by a fine of not more than \$500.00, or imprisonment for not more than 90 days, or both.

(5) Except as otherwise provided for in section 735, a person, school, or institution that violates subsection (1) or (2) a second or any subsequent time is guilty of a misdemeanor, punishable, except as provided in section 735, by a fine of not more than \$1,000.00, or imprisonment for not more than 1 year, or both.

(6) Notwithstanding subsections (4) and (5), a person not licensed under article 24 as a residential builder or a residential maintenance and alteration contractor who violates subsection (1) or (2) is guilty as follows:

(a) In the case of a first offense, a misdemeanor punishable by a fine of not less than \$5,000.00 or more than \$25,000.00, or imprisonment for not more than 1 year, or both.

(b) In the case of a second offense, a misdemeanor punishable by a fine of not less than \$5,000.00 or more than \$25,000.00, or imprisonment for not more than 2 years, or both.

(c) In the case of a third or subsequent offense, a felony punishable by a fine of not less than \$5,000.00 or more than \$25,000.00, or imprisonment for not more than 4 years, or both.

(7) Any violation of this act shall include a requirement that restitution be made, based upon proofs submitted to and findings made by the trier of fact as provided by law.

(8) Notwithstanding the existence and pursuit of any other remedy, an affected person may maintain injunctive action to restrain or prevent a person from violating subsection (1) or (2). If successful in obtaining injunctive relief, the affected person shall be entitled to actual costs and attorney fees.

(9) This act does not apply to a person engaging in or practicing the following:

(a) Interior design.

(b) Building design.

(c) Any activity for which the person is licensed under the state plumbing act, 2002 PA 733, MCL 338.3511 to 338.3569.

(d) Any activity for which the person is licensed under the Forbes mechanical contractors act, 1984 PA 192, MCL 338.971 to 338.988.

(e) Any activity for which the person is licensed under the electrical administrative act, 1956 PA 217, MCL 338.881 to 338.892.

(10) As used in subsection (8), “affected person” means a person directly affected by the actions of a person suspected of violating subsection (1) or (2) and includes, but is not limited to, a licensee or registrant, a board established pursuant to this act, the department, a person who has utilized the services of the person engaging in or attempting to engage in an occupation regulated under this act or using a title designated by this act without being licensed or registered by the department, or a private association composed primarily of members of the occupation in which the person is engaging in or attempting to engage in or in which the person is using a title designated under this act without being registered or licensed by the department.

(11) An investigation may be conducted under article 5 to enforce this section. A person who violates this section shall be subject to this section and sections 506, 602, and 606.

(12) The department, the attorney general, or a county prosecutor may utilize forfeiture as a remedy in the manner provided for in section 606.

(13) The remedies under this section are independent and cumulative. The use of 1 remedy by a person shall not bar the use of other lawful remedies by that person or the use of a lawful remedy by another person.

(14) An interior designer may perform services in connection with the design of interior spaces including preparation of documents relative to finishes, systems furniture, furnishings, fixtures, equipment, and interior partitions that do not affect the building mechanical, structural, electrical, or fire safety systems.

(15) Upon entering a conviction under subsection (4) or (5), a court entering the conviction shall notify, by mail, facsimile transmission, or email, the bureau of commercial services at the department.

### **339.602 Violation of act, rule, or order; penalties.**

Sec. 602. A person, school, or institution that violates this act or a rule or order promulgated or issued under this act shall be assessed 1 or more of the following penalties:

(a) Placement of a limitation on a license or certificate of registration for an occupation regulated under articles 8 to 25.

(b) Suspension of a license or certificate of registration.

(c) Denial of a license, certificate of registration, or renewal of a license or certificate of registration.

(d) Revocation of a license or certificate of registration.

(e) In the case of a person licensed or registered under this act and except as otherwise provided for by this act, an administrative fine to be paid to the department, not to exceed \$10,000.00.

(f) Censure.

(g) Probation.

(h) A requirement that restitution be made, based upon proofs submitted to and findings made by the hearing examiner after a contested case.

### **339.604 Violation of article regulating occupation or commission of prohibited act; penalties.**

Sec. 604. A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject to the penalties prescribed in section 602:

(a) Practices fraud or deceit in obtaining a license or registration.

(b) Practices fraud, deceit, or dishonesty in practicing an occupation.

(c) Violates a rule of conduct of an occupation.

(d) Demonstrates a lack of good moral character.

(e) Commits an act of gross negligence in practicing an occupation.

(f) Practices false advertising.

(g) Commits an act which demonstrates incompetence.

(h) Violates any other provision of this act or a rule promulgated under this act for which a penalty is not otherwise prescribed.

(i) Fails to comply with a subpoena issued under this act.

(j) Fails to respond to a citation as required by section 555.

(k) Violates or fails to comply with a final order issued by a board, including a stipulation, settlement agreement, or a citation.

(l) Aids or abets another person in the unlicensed practice of an occupation.

**339.605 Action in name of state; intervention and prosecution by attorney general; standing of department.**

Sec. 605. (1) The department may bring any appropriate action, including mediation or other alternative dispute resolution, in the name of the people of this state to carry out this act and to enforce this act.

(2) If the attorney general considers it necessary, the attorney general shall intervene in and prosecute all cases arising under this act.

(3) This section does not prohibit the department from bringing any civil, criminal, or administrative action for the enforcement of section 601.

(4) The department has standing to bring an administrative action or to directly bring an action in a court of competent jurisdiction regarding unlicensed practice of an occupation.

**339.606 Forfeiture.**

Sec. 606. The department, the attorney general, and a county prosecutor may utilize the forfeiture provisions of chapter 47 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4701 to 600.4709, for items seized and determined to be proceeds of a crime, substituted proceeds of a crime, or the instrumentality of a crime as those terms are defined under section 4701 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4701.

**339.2404a Providing information as part of license contract.**

Sec. 2404a. A licensee shall, as part of the contract, provide information relating to his or her individual license and to any license issued to that person as a qualifying officer of another entity.

**339.2405 Application for license by corporation, partnership, or association, limited liability company, or other entity; designation and responsibilities of qualifying officer; age and license requirements; suspension, revocation, or denial of license.**

Sec. 2405. (1) If a license is applied for by a corporation, partnership, association, limited liability company, or other entity, the applicant shall designate 1 of its officers, partners, members, or managing agent as a qualifying officer who, upon taking and passing the examination, and upon meeting all other requirements of this article, is entitled to a license to act for the corporation, partnership, association, limited liability company, or other entity. The qualifying officer shall also obtain and maintain a license under this article as an individual. The qualifying officer shall be responsible for exercising the supervision or control of the building or construction operations necessary to secure full compliance with this article and the rules promulgated under this article. A license shall not be issued to a corporation, partnership, association, limited liability company, or other entity unless each partner, trustee, director, officer, member, and a person exercising control is at least 18 years of age, and meets the requirements for a license under this article other than those relating to knowledge and experience. If an individual licensee is also a qualifying officer, the individual's name and license number shall be listed on any license issued to the individual as a qualifying officer. In the case of a license issued under this subsection, each officer, partner, member, or managing agent, whether or not he or she is the qualifying officer, shall provide a copy of his or her operator's license or state personal identification card to the department for use by the department only for identification purposes.

(2) The license of a corporation, partnership, association, limited liability company, or other entity shall be suspended when a license or license application of a qualifying officer,



partner, trustee, director, officer, member, or a person exercising control of the corporation, partnership, association, limited liability company, or other entity is suspended, revoked, or denied. The suspension shall remain in force until the board determines that the disability created by the suspension, revocation, or denial has been removed.

(3) A suspension, revocation, or denial of a license of an individual shall suspend, revoke, or deny any other license held or applied for by that individual issued under this article. A suspension, revocation, or denial of a license by the department shall suspend, revoke, or deny any other license held or applied for under this article by the qualifying officer of a corporation, partnership, association, limited liability company, or other entity whose license is suspended, revoked, or denied.

(4) If the qualifying officer of a licensee ceases to be its qualifying officer, the license is suspended. However, upon request, the department may permit the license to remain in force for a reasonable time to permit the qualification of a new qualifying officer.

**339.2411 Complaint; time period; conduct subject to penalty; suspension or revocation of license; violations; administrative proceedings regarding workmanship; issuance of default order; “verified complaint” defined.**

Sec. 2411. (1) A complaint filed under this section or article 5, or both, shall be made within 18 months after the latest of the following regarding a residential structure or a combination of residential and commercial structure as follows:

(a) In the case of a maintenance and alteration contract:

(i) Completion.

(ii) Occupancy.

(iii) Purchase.

(b) In the case of a project requiring an occupancy permit:

(i) Issuance of the certificate of occupancy or temporary certificate of occupancy.

(ii) Closing.

(2) A licensee or applicant who commits 1 or more of the following shall be subject to the penalties set forth in article 6:

(a) Abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee.

(b) Diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of a construction project or operation, and the funds or property application or use for any other construction project or operation, obligation, or purposes.

(c) Failure to account for or remit money coming into the person's possession which belongs to others.

(d) A willful departure from or disregard of plans or specifications in a material respect and prejudicial to another, without consent of the owner or an authorized representative and without the consent of the person entitled to have the particular construction project or operation completed in accordance with the plans and specifications.

(e) A willful violation of the building laws of the state or of a political subdivision of the state.

(f) In a residential maintenance and alteration contract, failure to furnish to a lender the purchaser's signed completion certificate executed upon completion of the work to be performed under the contract.

(g) If a licensed residential builder or licensed residential maintenance and alteration contractor, failure to notify the department within 10 days of a change in the control or direction of the business of the licensee resulting from a change in the licensee's partners, directors, officers, or trustees, or a change in the control or direction of the business of the licensee resulting from any other occurrence or event.

(h) Failure to deliver to the purchaser the entire agreement of the parties including finance and any other charge arising out of or incidental to the agreement when the agreement involves repair, alteration, or addition to, subtraction from, improvement of, wrecking of, or demolition of a residential structure or combination of residential and commercial structure, or building of a garage, or laying of concrete on residential property, or manufacture, assembly, construction, sale, or distribution of a residential or combination residential and commercial structure which is prefabricated, preassembled, precut, packaged, or shell housing.

(i) If a salesperson, failure to pay over immediately upon receipt money received by the salesperson, in connection with a transaction governed by this article to the residential builder or residential maintenance and alteration contractor under whom the salesperson is licensed.

(j) Aiding or abetting an unlicensed person to evade this article, or knowingly combining or conspiring with, or acting as agent, partner, or associate for an unlicensed person, or allowing one's license to be used by an unlicensed person, or acting as or being an ostensible licensed residential builder or licensed residential maintenance and alteration contractor for an undisclosed person who does or shall control or direct, or who may have the right to control or direct, directly or indirectly, the operations of a licensee.

(k) Acceptance of a commission, bonus, or other valuable consideration by a salesperson for the sale of goods or the performance of service specified in the article from a person other than the residential builder or residential maintenance and alteration contractor under whom the person is licensed.

(l) Becoming insolvent, filing a bankruptcy action, becoming subject to a receivership, assigning for the benefit of creditors, failing to satisfy judgments or liens, or failing to pay an obligation as it becomes due in the ordinary course of business.

(m) Workmanship not meeting the standards of the Michigan residential code as promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(3) The department shall suspend or revoke the license of a person licensed under this article whose failure to pay a lien claimant results in a payment being made from the homeowner construction lien recovery fund pursuant to the construction lien act, 1980 PA 497, MCL 570.1101 to 570.1305, regardless of whether the person was performing services as a licensee under this article; under the electrical administrative act, 1956 PA 217, MCL 338.881 to 338.892; or under the state plumbing act, 2002 PA 733, MCL 338.3511 to 338.3569. The department shall not renew a license or issue a new license until the licensee has repaid in full to the fund the amount paid out plus the costs of litigation and interest at the rate set by section 6013 of the revised judicature act of 1961, 1961 PA 236, MCL 600.6013.

(4) The department shall conduct a review upon notice that the licensee has violated the asbestos abatement contractors licensing act, 1986 PA 135, MCL 338.3101 to 338.3319. The department may suspend or revoke that person's license for a knowing violation of the asbestos abatement contractors licensing act, 1986 PA 135, MCL 338.3101 to 338.3319.

(5) Notwithstanding article 5, the following apply to administrative proceedings regarding workmanship under subsection (2)(m):

(a) A complaint submitted by an owner shall describe in writing to the department the factual basis for the allegation. The homeowner shall send a copy of the initial complaint to the licensee concurrent with the submission of the complaint to the department.

(b) The department shall presume the innocence of the licensee throughout the proceeding until the administrative law hearing examiner finds otherwise in a determination of findings of fact and conclusions of law under article 5. The licensee has the burden of refuting evidence submitted by a person during the administrative hearing. The licensee also has the burden of proof regarding the reason deficiencies were not corrected.

(c) Upon receipt of a building inspection report issued to the department by a state or local building enforcement official authorized to do so under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531, which report verifies or confirms the substance of the complaint, the department shall send by certified mail a copy of the verified complaint to the licensee. Failure of the department to send a copy of the verified complaint within 30 days of receipt of the building inspection report prevents the department from assessing a fine against the licensee under article 6 but does not prevent the department from pursuing restitution, license suspension, or other remedies provided under this act.

(d) A licensee may contractually provide for an alternative dispute resolution procedure to resolve complaints filed with the department. The procedure shall be conducted by a neutral third party for determining the rights and responsibilities of the parties and shall be initiated by the licensee, who shall provide notice of the initiation of the procedure to the complainant by certified mail not less than 30 days before the commencement of that procedure. The procedure shall be conducted at a location mutually agreed to by the parties.

(e) The department shall not initiate a proceeding against a licensee under this subsection in the case of a licensee who contractually provides for an alternative dispute resolution procedure that has not been utilized and completed unless it is determined that the licensee has not complied with a decision or order issued as a result of that alternative dispute resolution procedure, that alternative dispute resolution procedure was not fully completed within 90 days after the filing of the complaint with the department, or an alternative dispute resolution procedure meeting the requirements of subdivision (D) is not available to the complainant.

(f) The complainant shall demonstrate that notice has been provided to the licensee describing reasonable times and dates that the residential structure was accessible for any needed repairs and proof acceptable to the department that the repairs were not made within 60 days after the sending of the notice. This subdivision does not apply where the department determines a necessity to safeguard the structure or to protect the occupant's health and safety and, in such case, the department may utilize any remedy available under section 504(3)(a) through (d).

(g) In the case where the owner and licensee have agreed contractually on mutually acceptable performance guidelines relating to workmanship, the department shall consider those guidelines in its evaluation of a complaint. The guidelines shall be consistent with the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(6) In any case where the licensee or respondent fails to appear, participate, or defend any action, the board shall issue an order granting by default the relief requested, based upon proofs submitted to and findings made, by the hearing examiner after a contested case.

(7) As used in this section, “verified complaint” means a complaint in which all or a portion of the allegations have been confirmed by an affidavit of the state or local building official.

**339.2412 Action for collection of compensation for performance of act or contract; alleging and proving licensure; failure to use alternative dispute resolution; imposition of lien on real property; action by prosecuting attorney and attorney general against unlicensed individual.**

Sec. 2412. (1) A person or qualifying officer for a corporation or member of a residential builder or residential maintenance and alteration contractor shall not bring or maintain an action in a court of this state for the collection of compensation for the performance of an act or contract for which a license is required by this article without alleging and proving that the person was licensed under this article during the performance of the act or contract.

(2) Failure of the person bringing a complaint against a licensee to utilize a contractually provided alternative dispute resolution procedure shall be an affirmative defense to an action brought in a court of this state against a licensee under this article.

(3) A person or qualifying officer for a corporation or a member of a residential builder or residential maintenance and alteration contractor shall not impose or take any legal or other action to impose a lien on real property unless that person was licensed under this article during the performance of the act or contract.

(4) A prosecuting attorney and the attorney general may bring an action for a civil violation in a court of competent jurisdiction against a person not licensed under this article that has violated section 601(1) or (2). The court shall assess a civil violation judgment, to be paid to the prosecuting attorney or the attorney general bringing the action, of not less than \$5,000.00 and not more than \$25,000.00, aside from any civil damages or restitution.

**Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

- (a) Senate Bill No. 631.
- (b) Senate Bill No. 632.
- (c) Senate Bill No. 827.

This act is ordered to take immediate effect.

Approved December 30, 2006.

Filed with Secretary of State January 5, 2007.

**Compiler's note:** Enrolled Senate Bill Nos. 631 and 632, referred to in enacting section 1, were not signed by the governor, and, having been presented to the governor on December 22, 2006, not returned to the legislature within the 14 days prescribed by Const 1963, art IV, sec 33, and not filed with the Secretary of State prior to final adjournment 2006 sine die, these bills were vetoed.

Senate Bill No. 827 was filed with the Secretary of State January 5, 2007, and became 2006 PA 641. This act, however, never became effective due to a tie-bar bill veto.

This act, which was effective upon the condition of all of these bills being enacted into law was, therefore, ineffective and not compiled.

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**[No. 641]**

**(SB 827)**

AN ACT to amend 1961 PA 236, entitled “An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and

duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts,” by amending section 4701 (MCL 600.4701), as amended by 2002 PA 142, and by adding section 2975a.

*The People of the State of Michigan enact:*

**600.2975a Violation of MCL 339.2411(2); notification to bureau of commercial services of department of labor and economic growth.**

Sec. 2975a. Upon entry of a judgment for damages against a licensee under article 24 of the occupational code, 1980 PA 299, MCL 339.2401 to 339.2412, on the basis of a violation of section 2411(2) of the occupational code, 1980 PA 299, MCL 339.2411, the court shall notify the bureau of commercial services of the department of labor and economic growth of the entry of that judgment and shall convey to the department a copy of that judgment.

**600.4701 Definitions.**

Sec. 4701. As used in this chapter:

(a) “Crime” means committing, attempting to commit, conspiring to commit, or soliciting another person to commit any of the following offenses in connection with which the forfeiture of property is sought:

(i) A violation of part 111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11101 to 324.11153.

(ii) A violation of part 121 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.12101 to 324.12117.

(iii) A violation of section 4, 5, or 7 of the medicaid false claim act, 1977 PA 72, MCL 400.604, 400.605, and 400.607.

(iv) A violation of section 2 or 3 of the Michigan antitrust reform act, 1984 PA 274, MCL 445.772 and 445.773.

(v) A violation described in section 409 of the uniform securities act, 1964 PA 265, MCL 451.809.

(vi) A violation of section 5 or 7 of 1978 PA 33, MCL 722.675 and 722.677.

(vii) A violation of section 49, 75, 94, 95, 96, 100, 104, 105, 106, 110, 112, 117, 118, 119, 120, 121, 124, 145c, 145d, 157q, 157r, 174, 175, 176, 180, 181, 182, 213, 214, 218, 219a, 224, 248, 249, 250, 251, 252, 253, 254, 255, 263, 264, 271, 272, 273, 274, 300, 356, 357, 357a, 359, 360, 529, 530, 531, 535, 540c, or 540g or chapter LXXXIII-A of the Michigan penal code, 1931 PA 328, MCL 750.49, 750.75, 750.94, 750.95, 750.96, 750.100, 750.104, 750.105, 750.106, 750.110, 750.112, 750.117, 750.118, 750.119, 750.120, 750.121, 750.124, 750.145c, 750.145d, 750.157q, 750.157r, 750.174, 750.175, 750.176, 750.180, 750.181, 750.182, 750.213, 750.214, 750.218, 750.219a, 750.224, 750.248, 750.249, 750.250, 750.251, 750.252, 750.253, 750.254, 750.255, 750.263, 750.264, 750.271, 750.272, 750.273, 750.274, 750.300, 750.356, 750.357, 750.357a, 750.359, 750.360, 750.529, 750.530, 750.531, 750.535, 750.540c, 750.540g, and 750.543a to 750.543z.

(viii) A violation of 1979 PA 53, MCL 752.791 to 752.797.

(ix) A violation of section 601 of the occupational code, 1980 PA 299, MCL 339.601.

(b) “Instrumentality of a crime” means any property, other than real property, the use of which contributes directly and materially to the commission of a crime.

(c) “Person” means an individual, corporation, partnership, or other business entity, or an unincorporated or voluntary association.

(d) “Proceeds of a crime” means any property obtained through the commission of a crime, including any appreciation in the value of the property.

(e) “Security interest” means any interest in real or personal property that secures payment or performance of an obligation.

(f) “Substituted proceeds of a crime” means any property obtained or any gain realized by the sale or exchange of proceeds of a crime.

**Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

- (a) Senate Bill No. 631.
- (b) Senate Bill No. 632.
- (c) Senate Bill No. 826.

This act is ordered to take immediate effect.

Approved December 30, 2006.

Filed with Secretary of State January 5, 2007.

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**Compiler's note:** Enrolled Senate Bill Nos. 631 and 632, referred to in enacting section 1, were not signed by the governor, and, having been presented to the governor on December 22, 2006, not returned to the legislature within the 14 days prescribed by Const 1963, art IV, sec 33, and not filed with the Secretary of State prior to final adjournment 2006 sine die, these bills were vetoed.

Senate Bill No. 826 was filed with the Secretary of State January 5, 2007, and became 2006 PA 640. This act, however, never became effective due to a tie-bar bill veto.

This act, which was effective upon the condition of all of these bills being enacted into law was, therefore, ineffective and not compiled.

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**[No. 642]**

**(SB 934)**

AN ACT to amend 1949 PA 300, entitled “An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date,” (MCL 257.1 to 257.923) by adding section 307b.

*The People of the State of Michigan enact:*

**257.307b Application by male for operator's license or chauffeur's license; registration of applicant with federal selective service system.**

Sec. 307b. (1) Beginning October 1, 2010, when any male citizen of the United States or a male immigrant to the United States who is less than 26 years of age applies for an operator's license or chauffeur's license, the secretary of state shall, with the applicant's consent, obtain the information that is necessary to register the applicant with the federal selective service system in compliance with the requirements of 50 USC Appx 453, including, but not limited to, the applicant's social security number.

(2) Each application described in subsection (1) shall contain all of the following:

(a) A statement that, if the applicant gives his consent to the secretary of state to provide his registration information to the selective service system, the secretary of state is authorized to provide that information to the selective service system under this section.

(b) The following statement: "If I am less than 18 years of age and give my consent to the secretary of state to provide the information necessary to register me for selective service, I understand that I will automatically be registered for selective service when I become 18 years of age if required by federal law."

(c) A statement of the criminal penalties and other sanctions that apply for failing to register with selective service.

(d) The following statement: "I acknowledge having been given information regarding the penalties for not registering for selective service."

(e) A statement appearing in capitalized, bold-faced type that declining to give consent to registration under this section does not affect the applicant's privilege to receive an operator's or chauffeur's license.

(f) A location on the application where the applicant shall indicate that he either consents to forwarding his registration information to the selective service system or that he does not consent to forwarding his registration information to the selective service system.

(3) The secretary of state shall forward the information obtained under subsection (1) to the federal selective service system in a format consistent with selective service system requirements.

(4) The secretary of state shall not forward any information regarding an applicant who is less than 18 years of age to the selective service system under this section unless the applicant gives his consent to provide that information to the selective service system as provided in this section.

**Effective date.**

Enacting section 1. This amendatory act takes effect October 1, 2010.

This act is ordered to take immediate effect.

Approved January 4, 2007.

Filed with Secretary of State January 5, 2007.

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**[No. 643]**

**(HB 5750)**

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health;



to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,” by amending section 16181 (MCL 333.16181), as amended by 2006 PA 398, and by adding section 2264.

*The People of the State of Michigan enact:*

**333.2264 Patient safety organization; certification of more than 1 entity.**

Sec. 2264. Notwithstanding any other provision of this act to the contrary, more than 1 entity may be certified as a patient safety organization under section 924 of the patient safety and quality improvement act of 2005, 42 USC 299b-24.

**333.16181 Temporary license; nonrenewable; exception; eligibility; duration; automatically voiding; expiration; supervision; issuance.**

Sec. 16181. (1) Except as otherwise provided in subsection (2), a board may grant a nonrenewable, temporary license to an applicant who has completed all requirements for licensure except for examination or other required evaluation procedure. A board shall not grant a temporary license to an individual who has previously failed the examination or other required evaluation procedure or whose license has been suspended or revoked. A temporary license issued pursuant to this section is valid for 18 months, but a board shall automatically void the temporary license if the applicant fails the examination or other required evaluation procedure.

(2) The Michigan board of nursing may grant a nonrenewable, temporary license to an applicant for a license under this article to engage in the practice of nursing as a registered professional nurse if the applicant is licensed as a registered professional nurse by an equivalent licensing board or authority in another state or, until January 1, 2012, is licensed as a registered professional nurse by an equivalent licensing board or authority in Canada. A temporary license issued under this subsection expires on the earliest of the following:

(a) One year after the date of issuance.

(b) The date the applicant is notified that he or she failed the commission on graduates of foreign nursing schools qualifying examination, as approved by the department.

(c) The date the applicant is notified that he or she failed the national council licensure examination, as approved by the department.

(d) The date the applicant is issued a license under this article to engage in the practice of nursing as a registered professional nurse.

(e) The date the applicant is notified that he or she has failed to meet the requirements of this article and rules promulgated under this article for licensure.

(f) The date the applicant is notified that he or she has failed to complete the application process for full licensure.

(3) The holder of a temporary license issued under subsection (1) shall practice only under the supervision of a licensee who holds a license, other than a health profession subfield license, in the same health profession. The holder of a temporary license issued under subsection (1) shall not be supervised by a licensee who holds a limited license or temporary license.

(4) The department shall issue a temporary license within 48 hours upon receiving proof that the applicant's license issued by another state or a province in Canada is currently active and in good standing.

This act is ordered to take immediate effect.

Approved January 4, 2007.

Filed with Secretary of State January 5, 2007.

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**[No. 644]**

**(HB 6098)**

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants,

and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act,” by amending section 1915 (MCL 500.1915), as added by 1980 PA 341.

*The People of the State of Michigan enact:*

**500.1915 Charging fee in excess of \$50.00; conditions; excessive or discriminatory fee prohibited; documentation of fees; exclusion of fees in computation of premium taxes; adjustment; “consumer price index” defined.**

Sec. 1915. (1) A licensee may not charge, in addition to the premium charged by an unauthorized insurer, a fee to cover the costs incurred in the placement of the indemnity which exceeds \$50.00, unless all of the following conditions are met:

(a) The fee in excess of \$50.00 is filed with the commissioner and not disapproved by the commissioner within 30 days of the date it is filed with the commissioner.

(b) The fee exceeds \$50.00 only to the extent that the actual additional costs incurred for services performed by persons or entities unrelated to the licensee exceed that amount.

(2) A fee charged pursuant to subsection (1) shall not be excessive or discriminatory. The licensee shall maintain complete documentation of all fees charged pursuant to subsection (1)(b). Those fees shall not be included as a part of the policy premium in the computation of premium taxes.

(3) The \$50.00 fee prescribed in subsection (1) shall be adjusted June 1, 2008 and annually thereafter to reflect the percentage of change in the consumer price index.

(4) As used in this section, “consumer price index” means the consumer price index for all urban consumers in the United States city average for all items, as most recently reported by the United States department of labor, bureau of labor statistics, and as certified by the commissioner in an administrative bulletin.

This act is ordered to take immediate effect.

Approved January 4, 2007.

Filed with Secretary of State January 5, 2007.

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**[No. 645]**

**(HB 6267)**

AN ACT to amend 1979 PA 152, entitled “An act to provide for the establishment and collection of fees for the regulation of certain occupations and professions, and for certain agencies and businesses; to create certain funds; and to prescribe certain powers and duties of certain state agencies and departments,” by amending the title and sections 3 and 37 (MCL 338.2203 and 338.2237), section 3 as amended by 1993 PA 139 and section 37 as amended by 2003 PA 87.

*The People of the State of Michigan enact:*

#### TITLE

An act to provide for the establishment and collection of fees for the investigation, regulation, and enforcement of certain occupations and professions, and for certain agencies and businesses; to create certain funds for certain purposes; and to prescribe certain powers and duties of certain state agencies and departments.

### **338.2203 Fees; use; disposition.**

Sec. 3. (1) Except as otherwise provided for in section 37, the fees prescribed by this act shall be used only to offset the cost of operating the department.

(2) Except as otherwise provided in sections 37, 38, and 51, the fees collected pursuant to this act shall be credited to the general fund of the state.

### **338.2237 Real estate broker, associate broker, salesperson, or branch office; fees; registration of property approved under land sales act; real estate education fund; real estate enforcement fund; creation and use.**

Sec. 37. (1) Fees for a person licensed or seeking licensure as a real estate broker, associate broker, salesperson, or branch office or seeking other licenses or approvals issued under article 25 of the occupational code, MCL 339.2501 to 339.2518, are as follows:

(a) Application processing fees:

(i) Brokers and associate brokers as follows:

(A) If paid through September 30, 2003 or after September 30, 2007 ..... \$ 20.00

(B) Beginning October 1, 2003 through September 30, 2007..... 35.00

(ii) Salespersons..... 10.00

(iii) Branch office..... 10.00

(b) License fees, per year:

(i) Brokers and associate brokers..... 36.00

(ii) Salespersons..... 26.00

(c) Branch office fee, per year as follows:

(i) If paid through September 30, 2003 or after September 30, 2007 ..... 10.00

(ii) Beginning October 1, 2003 through September 30, 2007..... 20.00

(d) Sale of out of state property:

(i) Application to sell..... 20.00

(ii) Property registration ..... 500.00

(iii) Renewal of approval to sell ..... 20.00

(2) A fee shall not be required for the registration of property approved under the land sales act, 1972 PA 286, MCL 565.801 to 565.835.

(3) The real estate education fund is established in the state treasury and shall be administered by the department. Fifteen dollars of each license fee received by the department under subsection (1)(b) during that 3-year license cycle shall be deposited with the state treasurer to the credit of the real estate education fund. The department shall utilize the real estate education fund only for the operation of departmental programs related to education required of all licensees or applicants for licensure under article 25 of the occupational

code, MCL 339.2501 to 339.2518. Any unexpended balance in the real estate education fund at the end of a fiscal year shall carry forward to the next fiscal year.

(4) The real estate enforcement fund is created in the state treasury and shall be administered by the department. Beginning October 1, 2003, \$15.00 of each license fee received by the department under subsection (1)(b) during that 3-year license cycle shall be deposited into the real estate enforcement fund. The department in conjunction with the attorney general shall utilize the real estate enforcement fund only for the investigation and enforcement of actions regarding unlicensed activity and real estate fraud. Any unexpended balance in the real estate enforcement fund at the end of a fiscal year shall carry forward to the next fiscal year.

This act is ordered to take immediate effect.

Approved January 4, 2007.

Filed with Secretary of State January 5, 2007.

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**[No. 646]**

**(HB 4536)**

AN ACT to amend 1893 PA 206, entitled “An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts,” by amending section 34c (MCL 211.34c), as amended by 2006 PA 376.

*The People of the State of Michigan enact:*

**211.34c Classification of assessable property; tabulation of assessed valuations; transmittal of tabulation and other statistical information; classifications of assessable real and personal property; buildings on leased land as improvements; total usage of parcel which includes more than 1 classification; notice to assessor and protest of assigned classification; decision; petition; arbitration; determination final and binding; appeal by department; construction of section; separate assessment roll for certain property.**

Sec. 34c. (1) Not later than the first Monday in March in each year, the assessor shall classify every item of assessable property according to the definitions contained in this section. Following the March board of review, the assessor shall tabulate the total number of items and the valuations as approved by the board of review for each classification and for the totals of real and personal property in the local tax collecting unit. The assessor

shall transmit to the county equalization department and to the state tax commission the tabulation of assessed valuations and other statistical information the state tax commission considers necessary to meet the requirements of this act and 1911 PA 44, MCL 209.1 to 209.8.

(2) The classifications of assessable real property are described as follows:

(a) Agricultural real property includes parcels used partially or wholly for agricultural operations, with or without buildings. For taxes levied after December 31, 2002, agricultural real property includes buildings on leased land used for agricultural operations. As used in this subdivision, “agricultural operations” means the following:

(i) Farming in all its branches, including cultivating soil.

(ii) Growing and harvesting any agricultural, horticultural, or floricultural commodity.

(iii) Dairying.

(iv) Raising livestock, bees, fish, fur-bearing animals, or poultry, including operating a game bird hunting preserve licensed under part 417 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.41701 to 324.41712, and also including farming operations that harvest cervidae on site where not less than 60% of the cervidae were born as part of the farming operation. As used in this subparagraph, “livestock” includes, but is not limited to, cattle, sheep, new world camelids, goats, bison, privately owned cervids, ratites, swine, equine, poultry, aquaculture, and rabbits. Livestock does not include dogs and cats.

(v) Raising, breeding, training, leasing, or boarding horses.

(vi) Turf and tree farming.

(vii) Performing any practices on a farm incident to, or in conjunction with, farming operations. A commercial storage, processing, distribution, marketing, or shipping operation is not part of agricultural operations.

(b) Commercial real property includes the following:

(i) Platted or unplatted parcels used for commercial purposes, whether wholesale, retail, or service, with or without buildings.

(ii) Parcels used by fraternal societies.

(iii) Parcels used as golf courses, boat clubs, ski areas, or apartment buildings with more than 4 units.

(iv) For taxes levied after December 31, 2002, buildings on leased land used for commercial purposes.

(c) Developmental real property includes parcels containing more than 5 acres without buildings, or more than 15 acres with a market value in excess of its value in use. Developmental real property may include farm land or open space land adjacent to a population center, or farm land subject to several competing valuation influences.

(d) Industrial real property includes the following:

(i) Platted or unplatted parcels used for manufacturing and processing purposes, with or without buildings.

(ii) Parcels used for utilities sites for generating plants, pumping stations, switches, substations, compressing stations, warehouses, rights-of-way, flowage land, and storage areas.

(iii) Parcels used for removal or processing of gravel, stone, or mineral ores, whether valued by the local assessor or by the state geologist.

(iv) For taxes levied after December 31, 2002, buildings on leased land used for industrial purposes.

(v) For taxes levied after December 31, 2002, buildings on leased land for utility purposes.

(e) Residential real property includes the following:

(i) Platted or unplatted parcels, with or without buildings, and condominium apartments located within or outside a village or city, which are used for, or probably will be used for, residential purposes.

(ii) Parcels that are used for, or probably will be used for, recreational purposes, such as lake lots and hunting lands, located in an area used predominantly for recreational purposes.

(iii) For taxes levied after December 31, 2002, a home, cottage, or cabin on leased land, and a mobile home that would be assessable as real property under section 2a except that the land on which it is located is not assessable because the land is exempt.

(f) Timber-cutover real property includes parcels that are stocked with forest products of merchantable type and size, cutover forest land with little or no merchantable products, and marsh lands or other barren land. However, when a typical purchase of this type of land is for residential or recreational uses, the classification shall be changed to residential.

(3) The classifications of assessable personal property are described as follows:

(a) Agricultural personal property includes any agricultural equipment and produce not exempt by law.

(b) Commercial personal property includes the following:

(i) All equipment, furniture, and fixtures on commercial parcels, and inventories not exempt by law.

(ii) All outdoor advertising signs and billboards.

(iii) Well drilling rigs and other equipment attached to a transporting vehicle but not designed for operation while the vehicle is moving on the highway.

(iv) Unlicensed commercial vehicles or commercial vehicles licensed as special mobile equipment or by temporary permits.

(c) Industrial personal property includes the following:

(i) All machinery and equipment, furniture and fixtures, and dies on industrial parcels, and inventories not exempt by law.

(ii) Personal property of mining companies valued by the state geologist.

(d) For taxes levied before January 1, 2003, residential personal property includes a home, cottage, or cabin on leased land, and a mobile home that would be assessable as real property under section 2a except that the land on which it is located is not assessable because the land is exempt.

(e) Utility personal property includes the following:

(i) Electric transmission and distribution systems, substation equipment, spare parts, gas distribution systems, and water transmission and distribution systems.

(ii) Oil wells and allied equipment such as tanks, gathering lines, field pump units, and buildings.

(iii) Inventories not exempt by law.

(iv) Gas wells with allied equipment and gathering lines.

(v) Oil or gas field equipment stored in the open or in warehouses such as drilling rigs, motors, pipes, and parts.

(vi) Gas storage equipment.

(vii) Transmission lines of gas or oil transporting companies.