

## **FIRST CONFERENCE REPORT**

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

Senate Bill No. 958, entitled

A bill to make appropriations for the department of licensing and regulatory affairs and certain other state purposes for the fiscal year ending September 30, 2013; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Recommends:

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

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

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of licensing and regulatory affairs and certain other state purposes for the fiscal year ending September 30, 2013; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain

state departments and certain state and local agencies and officers.

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Mark C. Jansen

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Al Pscholka

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Roger Kahn

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Bill Rogers

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Bert Johnson

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Jim Ananich

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR  
SENATE BILL NO. 958**

A bill to make appropriations for the department of licensing and regulatory affairs and certain other state purposes for the fiscal year ending September 30, 2013; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS  
FOR FISCAL YEAR 2012-2013

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

the department of licensing and regulatory affairs, subject to the conditions set forth in this act, for the fiscal year ending September 30, 2013, from the funds identified in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 57.5

Full-time equated classified positions..... 4,259.8

GROSS APPROPRIATION..... \$ 791,943,300

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 13,496,900

ADJUSTED GROSS APPROPRIATION..... \$ 778,446,400

Federal revenues:

Total federal revenues..... 391,076,000

Special revenue funds:

Total local revenues..... 7,159,900

Total private revenues..... 3,927,800

Total other state restricted revenues..... 325,711,800

State general fund/general purpose..... \$ 50,570,900

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose ..... 50,393,400

One-time state general fund/general

purpose ..... 177,500

**Sec. 102. DEPARTMENTAL ADMINISTRATION**

Full-time equated unclassified positions..... 57.5

1	Full-time equated classified positions.....	128.0	
2	Unclassified salaries--57.5 FTE positions.....		\$ 4,595,900
3	Executive director programs--33.0 FTE positions.....		5,678,300
4	Property management.....		12,495,200
5	Rent.....		12,032,200
6	Worker's compensation.....		713,200
7	Special project advances.....		200,000
8	Administrative services--91.0 FTE positions.....		10,655,400
9	Office of regulatory reinvention--4.0 FTE positions..		<u>415,800</u>
10	GROSS APPROPRIATION.....		\$ 46,786,000
11	Appropriated from:		
12	Federal revenues:		
13	DOE-OEERE, multiple grants.....		3,000
14	DED-OSERS, rehabilitation services, vocational		
15	rehabilitation of state grants.....		4,219,600
16	DOL-ETA, unemployment insurance.....		12,335,400
17	DOL, multiple grants for safety and health.....		797,600
18	Federal revenues.....		453,100
19	Title XVIII Medicare.....		423,100
20	Title XIX Medicaid.....		21,700
21	Title XIX Medicaid, facility certification fees.....		265,800
22	Special revenue funds:		
23	Private - special project advances.....		200,000
24	Local revenues.....		130,900
25	Bank fees.....		381,700
26	Boiler fee revenue.....		244,400
27	Construction code fund.....		1,239,300

1	Consumer finance fees.....	78,300
2	Contingent fund, penalty and interest account.....	39,900
3	Corporation fees.....	4,442,000
4	Credit union fees.....	386,900
5	Deferred presentment service transaction fees.....	25,000
6	Elevator fees.....	251,500
7	Fees and collections/asbestos.....	104,200
8	Fire service fees.....	805,700
9	Health professions regulatory fund.....	1,667,900
10	Health systems fees.....	285,000
11	Insurance licensing and regulation fees.....	1,848,600
12	Insurance bureau fund.....	589,600
13	Licensing and regulation fees.....	1,092,300
14	Liquor license revenue.....	34,500
15	Liquor purchase revolving fund.....	5,020,600
16	MBLSLA fund.....	86,400
17	Mobile home code fund.....	253,400
18	Motor carrier fees.....	238,100
19	Private occupational school license fees.....	14,000
20	Public utility assessments.....	2,519,500
21	Radiological health fees.....	95,600
22	Safety education and training fund.....	798,900
23	Second injury fund.....	255,500
24	Securities fees.....	2,555,500
25	Self-insurers security fund.....	92,300
26	Silicosis and dust disease fund.....	113,900
27	Tax tribunal fund.....	192,600

1	Video franchise assessments.....		4,000
2	Workers' compensation administrative revolving fund..		134,500
3	State general fund/general purpose.....	\$	2,044,200
4	<b>Sec. 103. OFFICE OF FINANCIAL AND INSURANCE</b>		
5	<b>REGULATION</b>		
6	Full-time equated classified positions.....	374.0	
7	Administration--45.0 FTE positions.....	\$	7,956,900
8	Financial evaluation--209.0 FTE positions.....		36,871,300
9	Regulatory compliance and consumer assistance--120.0		
10	FTE positions .....		<u>19,684,400</u>
11	GROSS APPROPRIATION.....	\$	64,512,600
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues.....		2,000,000
15	Special revenue funds:		
16	Bank fees.....		8,801,900
17	Captive insurance regulatory and supervision fund....		279,400
18	Consumer finance fees.....		4,673,700
19	Credit union fees.....		6,796,400
20	Deferred presentment service transaction fees .....		2,900,800
21	Insurance bureau fund.....		22,012,300
22	Insurance continuing education fees.....		1,097,400
23	Insurance licensing and regulation fees .....		5,168,300
24	MBLSLA fund.....		4,629,600
25	Multiple employer welfare arrangement.....		72,600
26	Securities fees.....		5,080,200
27	Securities investor education and training fund.....		1,000,000

1	State general fund/general purpose .....	\$	0
2	<b>Sec. 104. PUBLIC SERVICE COMMISSION AND ENERGY</b>		
3	<b>SYSTEMS</b>		
4	Full-time equated classified positions.....	193.0	
5	Public service commission--190.0 FTE positions .....	\$	29,265,100
6	METRO authority--3.0 FTE positions .....		<u>367,300</u>
7	GROSS APPROPRIATION.....	\$	29,632,400
8	Appropriated from:		
9	Federal revenues:		
10	DOE-OEERE, multiple grants .....		9,000
11	DOT, gas pipeline safety .....		950,000
12	Special revenue funds:		
13	Children's protection registry fund .....		272,600
14	Motor carrier fees .....		2,520,300
15	Public utility assessments .....		25,040,500
16	Restructuring mechanism assessments .....		440,000
17	Video franchise assessments .....		400,000
18	State general fund/general purpose .....	\$	0
19	<b>Sec. 105. LIQUOR CONTROL COMMISSION</b>		
20	Full-time equated classified positions.....	152.0	
21	Management support services--28.0 FTE positions .....	\$	4,185,100
22	Liquor licensing and enforcement--124.0 FTE positions .....		<u>14,523,800</u>
23	GROSS APPROPRIATION.....	\$	18,708,900
24	Appropriated from:		
25	Special revenue funds:		
26	Direct shipper enforcement revolving fund .....		120,000
27	Liquor license revenue .....		7,510,400



1	Liquor purchase revolving fund.....	11,078,500
2	State general fund/general purpose.....	\$ 0
3	<b>Sec. 106. OCCUPATIONAL REGULATION</b>	
4	Full-time equated classified positions.....	795.3
5	Boiler inspection program--23.0 FTE positions.....	\$ 3,172,900
6	Bureau of fire services--62.0 FTE positions.....	7,641,000
7	Bureau of construction codes--100.0 FTE positions....	14,731,600
8	Bureau of commercial services--155.0 FTE positions...	21,299,300
9	Elevator inspection program--30.0 FTE positions.....	3,545,600
10	Bureau of health professions--151.0 FTE positions....	26,822,000
11	Medical marihuana program--9.0 FTE positions.....	4,200,000
12	Bureau of health systems--211.4 FTE positions.....	27,197,600
13	Radiological health administration--21.4 FTE positions	3,345,400
14	Background check program--5.5 FTE positions.....	2,595,000
15	Manufactured housing and land resources	
16	program--18.0 FTE positions .....	2,874,700
17	Property development group--9.0 FTE positions.....	<u>1,767,500</u>
18	GROSS APPROPRIATION.....	\$ 119,192,600
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from department of community health, inspection	
22	contract .....	100,000
23	Federal revenues:	
24	Clinical lab improvement.....	386,700
25	DOT.....	60,000
26	FEMA.....	28,000
27	Mammography quality standards.....	744,500

1	Title XVIII Medicare.....	10,946,600
2	Title XIX Medicaid.....	968,900
3	Title XIX Medicaid, facility certification fees.....	7,483,600
4	Special revenue funds:	
5	Private - civil monetary penalties.....	200,000
6	Accountancy enforcement fund.....	404,800
7	Boiler fee revenue.....	3,627,500
8	Builder enforcement fund.....	450,800
9	Construction code fund.....	13,853,400
10	Corporation fees.....	6,728,000
11	Elevator fees.....	3,969,200
12	Fire alarm fees.....	125,400
13	Fire safety standard and enforcement fund.....	40,000
14	Fire service fees.....	2,346,000
15	Fireworks safety fund.....	652,700
16	Health professions regulatory fund.....	27,624,900
17	Health systems fees.....	2,555,700
18	Licensing and regulation fees.....	11,998,200
19	Liquor purchase revolving fund.....	3,003,900
20	Mobile home code fund.....	2,874,700
21	Nurse professional fund.....	1,883,300
22	Pain management fees.....	1,770,600
23	Private occupational school license fees.....	832,200
24	Property development fees.....	298,900
25	Radiological health fees.....	2,600,900
26	Real estate appraiser continuing education fund.....	47,000
27	Real estate education fund.....	338,100

1	Real estate enforcement fund.....	694,300
2	Survey and remonumentation fund.....	809,700
3	Security business fund.....	340,100
4	Unarmed combat fund.....	124,700
5	State general fund/general purpose.....	\$ 8,279,300
6	<b>Sec. 107. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH</b>	
7	<b>ADMINISTRATION</b>	
8	Full-time equated classified positions..... 250.0	
9	Occupational safety and health--219.0 FTE positions ..	\$ 30,623,000
10	Wage and hour division--31.0 FTE positions .....	<u>3,388,300</u>
11	GROSS APPROPRIATION.....	\$ 34,011,300
12	Appropriated from:	
13	Federal revenues:	
14	DOL, multiple grants for safety and health.....	14,371,900
15	Special revenue funds:	
16	Corporation fees.....	6,244,900
17	Fees and collections/asbestos.....	984,100
18	Safety education and training fund.....	9,039,600
19	Securities fees.....	3,370,800
20	State general fund/general purpose.....	\$ 0
21	<b>Sec. 108. EMPLOYMENT SERVICES</b>	
22	Full-time equated classified positions..... 2,104.6	
23	Worker's compensation administration--69.6 FTE	
24	positions .....	\$ 7,646,100
25	Insurance funds administration--25.0 FTE positions ...	5,138,900
26	Supplemental benefit fund.....	820,000
27	Unemployment insurance agency--1,262.7 FTE positions .	152,814,400

1	Advocacy assistance program.....	1,500,000
2	Special audit and collections program--34.0 FTE	
3	positions .....	3,301,300
4	Training program for agency staff--2.1 FTE positions .	1,849,500
5	Expanded fraud control program--33.2 FTE positions ...	3,811,400
6	Commission for the blind--107.0 FTE positions .....	27,748,900
7	Michigan rehabilitation services--550.0 FTE positions	77,290,200
8	Employment and labor relations--21.0 FTE positions ...	<u>3,984,500</u>
9	GROSS APPROPRIATION.....	\$ 285,905,200
10	Appropriated from:	
11	Federal revenues:	
12	DED-OPSE, multiple grants.....	1,333,300
13	DED-OSERS, centers for independent living.....	60,300
14	DED-OSERS, rehabilitation long-term training.....	328,400
15	DED-OSERS, rehabilitation services, vocational	
16	rehabilitation of state grants.....	60,799,100
17	DED-OSERS, state grants for technical related	
18	assistance .....	67,700
19	DOL, employment and training administration.....	1,355,800
20	DOL-ETA, unemployment insurance.....	156,606,100
21	Federal revenues.....	21,034,900
22	HHS-SSA, supplemental security income.....	4,079,400
23	Special revenue funds:	
24	Private - gifts, bequests, and donations.....	816,000
25	Private revenues.....	111,800
26	Local revenues.....	529,000
27	Corporation fees.....	1,892,000

1	Contingent fund, regular penalty and interest .....	4,314,700
2	Michigan commission for the blind business	
3	enterprise program fund .....	562,000
4	Rehabilitation service fees .....	1,401,500
5	Second injury fund .....	2,911,400
6	Securities fees .....	4,394,500
7	Self-insurers security fund .....	1,308,200
8	Silicosis and dust disease fund .....	1,064,300
9	Special fraud control fund .....	1,000,000
10	Workers' compensation administrative revolving fund ..	2,383,000
11	State general fund/general purpose .....	\$ 17,551,800
12	<b>Sec. 109. MICHIGAN ADMINISTRATIVE HEARING SYSTEM</b>	
13	Full-time equated classified positions .....	260.9
14	Michigan administrative hearing system--231.4 FTE	
15	positions .....	\$ 35,418,100
16	Michigan compensation appellate commission--29.5 FTE	
17	positions .....	<u>3,835,200</u>
18	GROSS APPROPRIATION .....	\$ 39,253,300
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG - administrative hearings .....	13,233,400
22	Federal revenues:	
23	DOL-ETA, unemployment insurance .....	3,552,400
24	Federal revenue - administrative hearings and rules ..	8,531,000
25	Special revenue funds:	
26	State restricted revenue - administrative hearings	
27	and rules .....	12,641,000

1	Workers' compensation administrative revolving fund..	282,800
2	State general fund/general purpose .....	\$ 1,012,700
3	<b>Sec. 110. INFORMATION TECHNOLOGY</b>	
4	Information technology services and projects .....	\$ 45,310,200
5	Liquor control commission IT upgrades .....	<u>2,000,000</u>
6	GROSS APPROPRIATION .....	\$ 47,310,200
7	Appropriated from:	
8	Federal revenues:	
9	DOL-ETA, unemployment insurance .....	22,256,000
10	DOL, multiple grants for safety and health .....	273,700
11	Federal revenues .....	3,584,100
12	Special revenue funds:	
13	Bank fees .....	219,500
14	Boiler fee revenue .....	280,500
15	Construction code fund .....	1,137,800
16	Consumer finance fees .....	95,100
17	Corporation fees .....	5,343,600
18	Credit union fees .....	192,100
19	Deferred presentment service transaction fees .....	85,700
20	Elevator fees .....	271,300
21	Fees and collections/asbestos .....	11,000
22	Fire service fees .....	353,500
23	Health professions regulatory fund .....	873,900
24	Health systems fees .....	186,400
25	Insurance continuing education fees .....	11,700
26	Insurance bureau fund .....	545,500
27	Insurance licensing and regulation fees .....	315,000

1	Licensing and regulation fees.....		1,757,500
2	Liquor purchase revolving fund.....		4,915,400
3	MBLSLA fund.....		104,100
4	Mobile home code fund.....		245,200
5	Motor carrier fees.....		191,300
6	Pain management fees.....		160,000
7	Public utility assessments.....		1,550,800
8	Radiological health fees.....		140,000
9	Safety education and training fund.....		667,100
10	Second injury fund.....		143,600
11	Securities fees.....		990,600
12	Self-insurers security fund.....		71,500
13	Silicosis and dust disease fund.....		61,500
14	Tax tribunal fund.....		210,000
15	State general fund/general purpose.....	\$	65,200
16	<b>Sec. 111. DEPARTMENT GRANTS</b>		
17	Personal assistance services.....	\$	459,500
18	Vocational rehabilitation customer support.....		57,328,400
19	Independent living.....		4,488,600
20	Fire protection grants.....		9,273,900
21	Liquor law enforcement grants.....		6,600,000
22	Remonumentation grants.....		5,300,000
23	Private grant programs.....		1,500,000
24	Subregional libraries state aid.....		451,800
25	Utility consumer representation.....		950,000
26	Youth low-vision program.....		<u>241,800</u>
27	GROSS APPROPRIATION.....	\$	86,594,000

1	Appropriated from:	
2	Federal revenues:	
3	DED-OSERS, centers for independent living .....	450,200
4	DED-OSERS, rehabilitation services, vocational	
5	rehabilitation of state grants .....	37,056,700
6	DED-OSERS, rehabilitation services facilities .....	2,272,500
7	DED-OSERS, supported employment .....	1,541,300
8	DED-OSERS, state grants for technical related	
9	assistance .....	2,240,800
10	HHS-SSA, supplemental security income .....	4,368,400
11	Special revenue funds:	
12	Private - gifts, bequests, and donations .....	1,100,000
13	Private revenues .....	1,500,000
14	Local vocational rehabilitation match .....	6,300,000
15	Local vocational rehabilitation facilities match .....	200,000
16	Contingent fund, penalty and interest account .....	1,000,000
17	Fire protection fund .....	8,500,000
18	Liquor purchase revolving fund .....	773,900
19	Liquor license revenue .....	6,600,000
20	Survey and remonumentation fund .....	5,300,000
21	Utility consumer representation fund .....	950,000
22	State general fund/general purpose .....	\$ 6,440,200
23	<b>Sec. 112. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
24	State employee lump-sum payments .....	\$ <u>5,036,800</u>
25	GROSS APPROPRIATION .....	\$ 5,036,800
26	Appropriated from:	
27	Interdepartmental grant revenues .....	163,500



1	Federal revenues.....	2,815,400
2	State restricted revenues.....	1,880,400
3	State general fund/general purpose.....	\$ 177,500
4	<b>Sec. 113. AUTISM COVERAGE</b>	
5	Full-time equated classified positions.....	2.0
6	Autism coverage reimbursement program--2.0 FTE	
7	positions .....	\$ <u>15,000,000</u>
8	GROSS APPROPRIATION.....	\$ 15,000,000
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 15,000,000

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2012-2013

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2012-2013 is \$376,282,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$21,625,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

## DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

23	Fire protection grants.....	\$ 9,273,900
24	Liquor law enforcement.....	6,600,000
25	Remonumentation grants.....	5,300,000

1	Subregional libraries state aid.....	<u>451,800</u>
2	Total department of licensing and regulatory	
3	affairs .....	\$ 21,625,700

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

7       Sec. 203. As used in this act:

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

10       (b) "Director" means the director of the department.

11       (c) "DOL" means the United States department of labor.

12       (d) "Fiscal agencies" means Michigan house fiscal agency and  
13 Michigan senate fiscal agency.

14       (e) "MAHS" means Michigan administrative hearing system.

15       (f) "MARVIN" means Michigan's automated response voice  
16 interactive network.

17       (g) "Subcommittees" means all members of the subcommittees of  
18 the house and senate appropriations committees with jurisdiction  
19 over the budget for the department.

20       Sec. 208. Unless otherwise specified, the department shall use  
21 the Internet to fulfill the reporting requirements of this act.  
22 This requirement may include transmission of reports via electronic  
23 mail to the recipients identified for each reporting requirement,  
24 or it may include placement of reports on an Internet or Intranet  
25 site.

26       Sec. 209. Funds appropriated in part 1 shall not be used for  
27 the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods or  
2 services, or both, are available. Preference shall be given to  
3 goods or services, or both, manufactured or provided by Michigan  
4 businesses, if they are competitively priced and of comparable  
5 quality. In addition, preference shall be given to goods or  
6 services, or both, that are manufactured or provided by Michigan  
7 businesses owned and operated by veterans, if they are  
8 competitively priced and of comparable quality.

9       Sec. 211. (1) Amounts appropriated in part 1 for information  
10 technology may be designated as work projects and carried forward  
11 to support technology projects under the direction of the  
12 department of technology, management, and budget. Funds designated  
13 in this manner are not available for expenditure until approved as  
14 work projects under section 451a of the management and budget act,  
15 1984 PA 431, MCL 18.1451a.

16       (2) The funds appropriated in part 1 for liquor control  
17 commission information technology are designated as work project  
18 appropriations and shall not lapse at the end of the fiscal year.  
19 Any unencumbered and unexpended funds shall continue to be  
20 available for expenditure until the project has been completed.  
21 Additional appropriations in future budgets are anticipated to  
22 complete the work project within an estimated 5 years.

23       Sec. 212. The department and agencies receiving appropriations  
24 in part 1 shall receive and retain copies of all reports funded  
25 from appropriations in part 1. Federal and state guidelines for  
26 short-term and long-term retention of records shall be followed.  
27 The department may electronically retain copies or reports unless

1 otherwise required by federal and state guidelines.

2       Sec. 214. From the funds appropriated in part 1 for  
3 information technology, departments and agencies shall pay user  
4 fees to the department of technology, management, and budget for  
5 technology-related services and projects. The user fees shall be  
6 subject to provisions of an interagency agreement between the  
7 departments and agencies and the department of technology,  
8 management, and budget.

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

12       Sec. 216. Not later than November 15, the department shall  
13 prepare and transmit a report that provides for estimates of the  
14 total general fund/general purpose appropriation lapses at the  
15 close of the fiscal year. This report shall summarize the projected  
16 year-end general fund/general purpose appropriation lapses by major  
17 departmental program or program areas. The report shall be  
18 transmitted to the office of the state budget, the chairpersons of  
19 the senate and house of representatives standing committees on  
20 appropriations, and the senate and house fiscal agencies.

21       Sec. 217. (1) Due to the current budgetary problems in this  
22 state, out-of-state travel shall be limited to situations in which  
23 1 or more of the following conditions apply:

24       (a) The travel is required by legal mandate or court order or  
25 for law enforcement purposes.

26       (b) The travel is necessary to protect the health or safety of  
27 Michigan citizens or visitors or to assist other states in similar

1 circumstances.

2 (c) The travel is necessary to produce budgetary savings or to  
3 increase state revenues, including protecting existing federal  
4 funds or securing additional federal funds.

5 (d) The travel is necessary to comply with federal  
6 requirements.

7 (e) The travel is necessary to secure specialized training for  
8 staff that is not available within this state.

9 (f) The travel is financed entirely by federal or nonstate  
10 funds.

11 (2) The department shall not approve the travel of more than 1  
12 departmental employee to a specific professional development  
13 conference or training seminar that is located outside of this  
14 state unless a professional development conference or training  
15 seminar is funded by a federal or private funding source and  
16 requires more than 1 person from a department to attend, or the  
17 conference or training seminar includes multiple issues in which 1  
18 employee from the department does not have expertise.

19 (3) Not later than January 1, each department shall prepare a  
20 travel report listing all travel by classified and unclassified  
21 employees outside this state in the immediately preceding fiscal  
22 year that was funded in whole or in part with funds appropriated in  
23 the department's budget. The report shall be submitted to the  
24 senate and house of representatives standing committees on  
25 appropriations, the senate and house fiscal agencies, and the state  
26 budget director. The report shall include the following  
27 information:

1 (a) The name of each person receiving reimbursement for travel  
2 outside this state or whose travel costs were paid by this state.

3 (b) The destination of each travel occurrence.

4 (c) The dates of each travel occurrence.

5 (d) A brief statement of the reason for each travel  
6 occurrence.

7 (e) The transportation and related costs of each travel  
8 occurrence, including the proportion funded with state general  
9 fund/general purpose revenues, the proportion funded with state  
10 restricted revenues, the proportion funded with federal revenues,  
11 and the proportion funded with other revenues.

12 (f) A total of all out-of-state travel funded for the  
13 immediately preceding fiscal year.

14 Sec. 219. It is the intent of the legislature that all  
15 principal executive departments and agencies cooperate with the  
16 development and implementation of the department of technology,  
17 management, and budget statewide office space consolidation plan.

18 Sec. 220. The department may carry into the succeeding fiscal  
19 year unexpended federal pass-through funds to local institutions  
20 and governments that do not require additional state matching  
21 funds. Federal pass-through funds to local institutions and  
22 governments that are received in amounts in addition to those  
23 included in part 1 and that do not require additional state  
24 matching funds are appropriated for the purposes intended. Within  
25 14 days after the receipt of federal pass-through funds, the  
26 department shall notify the house and senate chairpersons of the  
27 subcommittees, the fiscal agencies, and the state budget director

1 of pass-through funds appropriated under this section.

2       Sec. 221. Funds appropriated in part 1 shall not be used by a  
3 principal executive department, state agency, or authority to hire  
4 a person to provide legal services that are the responsibility of  
5 the attorney general. This prohibition does not apply to legal  
6 services for bonding activities and for those outside services that  
7 the attorney general authorizes.

8       Sec. 223. (1) In addition to the funds appropriated in part 1,  
9 there is appropriated an amount not to exceed \$45,000,000.00 for  
10 federal contingency funds. These funds are not available for  
11 expenditure until they have been transferred to another line item  
12 in this act under section 393(2) of the management and budget act,  
13 1984 PA 431, MCL 18.1393.

14       (2) In addition to the funds appropriated in part 1, there is  
15 appropriated an amount not to exceed \$31,000,000.00 for state  
16 restricted contingency funds. These funds are not available for  
17 expenditure until they have been transferred to another line item  
18 in this act under section 393(2) of the management and budget act,  
19 1984 PA 431, MCL 18.1393.

20       (3) In addition to the funds appropriated in part 1, there is  
21 appropriated an amount not to exceed \$8,000,000.00 for local  
22 contingency funds. These funds are not available for expenditure  
23 until they have been transferred to another line item in this act  
24 under section 393(2) of the management and budget act, 1984 PA 431,  
25 MCL 18.1393.

26       (4) In addition to the funds appropriated in part 1, there is  
27 appropriated an amount not to exceed \$600,000.00 for private

1 contingency funds. These funds are not available for expenditure  
2 until they have been transferred to another line item in this act  
3 under section 393(2) of the management and budget act, 1984 PA 431,  
4 MCL 18.1393.

5       Sec. 225. Within 10 days after the receipt of a grant  
6 appropriated in the private grant funded projects line item in part  
7 1, the department shall notify the house and senate chairpersons of  
8 the subcommittees, the fiscal agencies, and the state budget  
9 director of the receipt of the grant, including the funding source,  
10 purpose, and amount of the grant.

11       Sec. 227. (1) The department shall sell documents at a price  
12 not to exceed the cost of production and distribution. Money  
13 received from the sale of these documents shall revert to the  
14 department. In addition to the funds appropriated in part 1, these  
15 funds are available for expenditure when they are received by the  
16 department of treasury. This subsection applies only for the  
17 following documents:

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

21       (b) The subdivision control manual, the state boundary  
22 commission operations manual, and other local government assistance  
23 manuals.

24       (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL  
25 436.1101 to 436.2303.

26       (d) The mobile home commission act, 1987 PA 96, MCL 125.2301  
27 to 125.2349; the business corporation act, 1972 PA 284, MCL



1 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,  
2 MCL 450.2101 to 450.3192; and the uniform securities act (2002),  
3 2008 PA 551, MCL 451.2101 to 451.2703.

4 (e) Worker's compensation health care services rules.

5 (f) Construction code manuals.

6 (g) Copies of transcripts from administrative law hearings.

7 (2) In addition to the funds appropriated in part 1, funds  
8 collected by the department under sections 55, 57, 58, and 59 of  
9 the administrative procedures act of 1969, 1969 PA 306, MCL 24.255,  
10 24.257, 24.258, and 24.259, and section 203 of the legislative  
11 council act, 1986 PA 268, MCL 4.1203, are appropriated for all  
12 expenses necessary to provide for the cost of publication and  
13 distribution. The funds appropriated under this section are  
14 allotted for expenditure when they are received by the department  
15 of treasury and shall not lapse to the general fund at the end of  
16 the fiscal year.

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

20 Sec. 230. By October 31, 2012, the department shall identify  
21 10 principal measurable outcomes to be affected by expenditure of  
22 the funds appropriated in part 1 and submit a report to the house  
23 and senate appropriations committees, the house and senate fiscal  
24 agencies, and the state budget director that ranks the outcomes by  
25 level of importance and contains current data on those outcomes.  
26 Beginning on April 1, 2013, the department shall provide biannual  
27 updates to the house and senate appropriations committees on

1 changes in those measurable outcomes and departmental efforts to  
2 improve the outcomes.

3 Sec. 231. The department shall work with the department of  
4 technology, management, and budget to maintain a searchable website  
5 accessible by the public at no cost that includes, but is not  
6 limited to, all of the following:

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

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

9 (c) Fiscal year-to-date payments to a selected vendor,  
10 including the vendor name, payment date, payment amount, and  
11 payment description.

12 (d) The number of active department employees by job  
13 classification.

14 (e) Job specifications and wage rates.

15 Sec. 232. The department shall not develop or produce any  
16 television productions.

17 Sec. 234. Within 14 days after the release of the executive  
18 budget recommendation, the department shall provide the state  
19 budget director, the senate and house appropriations chairs, the  
20 senate and house appropriations subcommittees on licensing and  
21 regulatory affairs, respectively, and the senate and house fiscal  
22 agencies with an annual report on estimated state restricted fund  
23 balances, state restricted fund projected revenues, and state  
24 restricted fund expenditures for the fiscal years ending September  
25 30, 2012 and September 30, 2013.

26 Sec. 236. Within 14 days of making expenditures from the  
27 appropriations in part 1 for state employee lump-sum payments, the

1 department shall submit to the state budget director, the  
2 subcommittees, and the fiscal agencies a report containing the  
3 name, payment amount, position, nonexclusively represented employee  
4 status, and bureau/agency of any employee receiving a lump-sum  
5 payment of more than \$1,000.00.

6 **REGULATORY**

7       Sec. 301. (1) The appropriation in part 1 for fire protection  
8 grants shall be appropriated to cities, villages, and townships  
9 with state-owned facilities for fire services, instead of taxes, in  
10 accordance with 1977 PA 289, MCL 141.951 to 141.956.

11       (2) Cities, villages, and townships with state-owned  
12 facilities shall report to the department no later than January 1  
13 on a form developed by the department in order to be eligible to  
14 receive funds appropriated in part 1 for fire protection grants.  
15 The report shall indicate all of the following:

16       (a) The ability to respond to state facilities in their  
17 service area.

18       (b) The cost for being prepared and able to respond to fire  
19 service situations during the most recent fiscal year.

20       (c) The fire-related activities of police and fire departments  
21 on state property.

22       (d) The costs of these activities.

23       (e) The expenditures from fire protection grants.

24       (3) The department shall prepare a summary of the local  
25 submissions and provide it to the subcommittees, fiscal agencies,  
26 and the state budget director by March 31.

Sec. 302. Money appropriated under this act for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

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

Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

Sec. 303. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 304. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received

1 from this service shall be used to offset expenses to provide the  
2 service. Any balance of this revenue collected and unexpended at  
3 the end of the fiscal year shall revert to the appropriate  
4 restricted fund.

5       Sec. 320. If the revenue collected by the department from  
6 licensing and regulation fees collected by the bureau of commercial  
7 services exceeds the amount expended from appropriations in part 1,  
8 the revenue may be carried forward into the subsequent fiscal year.  
9 The revenue carried forward under this section shall be used as the  
10 first source of funds in the subsequent fiscal year.

11       Sec. 330. Funds earned or authorized by the DOL in excess of  
12 the gross appropriation in part 1 for the unemployment insurance  
13 agency from the DOL are appropriated and may be expended for  
14 staffing and related expenses incurred in the operation of its  
15 programs. These funds may be spent after the department notifies  
16 the state budget director and the subcommittees of the purpose and  
17 amount of each grant award.

18       Sec. 332. The unemployment insurance agency shall provide the  
19 subcommittees, fiscal agencies, and state budget office with  
20 quarterly status reports on the development of the agency's  
21 integrated system project. The quarterly status reports shall  
22 include, but not be limited to, a summary of the expenditures for  
23 the project, project budget information, a summary of the tasks  
24 completed and milestones reached to date, the percentage of the  
25 total project completed to date, and a summary of the tasks  
26 anticipated to be completed in the subsequent quarter.

27       Sec. 333. The department shall report quarterly to the members

1 of the house and senate committees on appropriations, the fiscal  
2 agencies, and the state budget director on the percentage of  
3 unemployment claimants that meet the certification requirements for  
4 receiving benefits by using the Internet MARVIN system. The  
5 department shall implement improvements to the Internet MARVIN  
6 system that promote greater ease of access and security with a goal  
7 of reaching 50% of users certifying by using the Internet MARVIN  
8 system.

9       Sec. 340. MIOSHA shall provide an annual report by February 1  
10 of each year to the state budget director, the fiscal agencies, and  
11 the subcommittees on the number of individuals killed and the  
12 number of individuals injured on the job within industries  
13 regulated by the bureau during the most recent year for which data  
14 are available.

15       Sec. 341. The department shall not promulgate or adopt a rule  
16 more stringent than the applicable federal standard unless  
17 specifically authorized by statute.

18       Sec. 342. From the funds appropriated in part 1 for Michigan  
19 occupational safety and health consultation education and training  
20 (CET) grants, not less than \$80,000.00 shall be allocated to  
21 nonprofit organizations representing the mining industry in  
22 Michigan.

23       Sec. 368. No later than March 1, the department shall submit a  
24 report to the state budget office, the fiscal agencies, and the  
25 subcommittees, providing expenditure and revenue data and  
26 statistical data on licensing and regulatory activities of the  
27 bureau of commercial services and the bureau of construction codes

1 during the previous fiscal year. To the extent possible, the data  
2 required shall be reported for each individual occupation, trade,  
3 or industry regulated.

4 Sec. 380. Funds remaining in the homeowner construction lien  
5 recovery fund are appropriated to the department for payment of  
6 court-ordered homeowner construction lien recovery fund judgments  
7 entered prior to August 23, 2010. Pursuant to available funds, the  
8 payment of final judgments shall be made in the order in which the  
9 final judgments were entered and began accruing interest.

10 Sec. 390. (1) The Michigan tax tribunal within the Michigan  
11 administrative hearing system shall submit a report containing all  
12 of the following for the previous fiscal year:

13 (a) The number of cases heard and the number of cases decided  
14 by MAHS hearings officers, contractual hearings officers, and  
15 tribunal members during the fiscal year.

16 (b) The number of case filings and dispositions and the number  
17 of active and pending cases before the small claims division and  
18 the entire tribunal.

19 (c) The average and maximum time elapsed, both tolled and  
20 untolled, between case filings and final dispositions.

21 (d) The amount and percentage of tax tribunal fees generated  
22 by motions to amend.

23 (2) The report required under subsection (1) shall be  
24 submitted to the subcommittees, fiscal agencies, and state budget  
25 office not later than November 1.

26 Sec. 391. In addition to the funds appropriated in part 1, the  
27 funds collected by the office of financial and insurance regulation

1 in connection with a conservatorship pursuant to section 32 of the  
2 mortgage brokers, lenders, and servicers licensing act, 1987 PA  
3 173, MCL 445.1682, and funds collected by the department from  
4 corporations being liquidated pursuant to the insurance code of  
5 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated  
6 for all expenses necessary to provide for the required services.  
7 Funds are available for expenditure when they are received by the  
8 department of treasury and shall not lapse to the general fund at  
9 the end of the fiscal year.

10 **MICHIGAN REHABILITATION SERVICES AND MICHIGAN COMMISSION FOR THE**  
11 **BLIND**

12 Sec. 603. The local match requirements for vocational  
13 rehabilitation facilities establishment grants shall not exceed  
14 21.3% for the fiscal year ending September 30.

15 Sec. 604. All funds appropriated in part 1 for independent  
16 living shall be used for the support of centers for independent  
17 living in compliance with federal rules and regulations for such  
18 centers, by existing centers in serving underserved areas, and for  
19 projects to build capacity of centers to deliver independent living  
20 services. Applications for such funds shall be reviewed in  
21 accordance with criteria and procedures established by the  
22 department. Funds must be used in a manner consistent with the  
23 state plan for independent living.

24 Sec. 610. (1) The appropriation in part 1 for the Michigan  
25 commission for the blind includes funds for case services. These  
26 funds may be used for tuition payments for blind clients.



1           (2) Revenue collected by the Michigan commission for the blind  
2 and from private and local sources that is unexpended at the end of  
3 the fiscal year may carry forward to the subsequent fiscal year.

4           Sec. 611. The Michigan commission for the blind and the  
5 Michigan rehabilitation services shall work collaboratively with  
6 service organizations and government entities to identify qualified  
7 match dollars to maximize use of available federal vocational  
8 rehabilitation funds.

9           Sec. 613. (1) The funds appropriated in part 1 for a regional  
10 or subregional library shall not be released until a budget for  
11 that regional or subregional library has been approved by the  
12 department for expenditures for library services directly serving  
13 the blind and persons with disabilities.

14           (2) In order to receive subregional state aid as appropriated  
15 in part 1, a regional or subregional library's fiscal agency shall  
16 agree to maintain local funding support at the same level in the  
17 current fiscal year as in the fiscal agency's preceding fiscal  
18 year. If a reduction in expenditures equally affects all agencies  
19 in a local unit of government that is the regional or subregional  
20 library's fiscal agency, that reduction shall not be interpreted as  
21 a reduction in local support and shall not disqualify a regional or  
22 subregional library from receiving state aid under part 1. If a  
23 reduction in income affects a library cooperative or district  
24 library that is a regional or subregional library's fiscal agency  
25 or a reduction in expenditures for the regional or subregional  
26 library's fiscal agency, a reduction in expenditures for the  
27 regional or subregional library shall not be interpreted as a

1 reduction in local support and shall not disqualify a regional or  
2 subregional library from receiving state aid under part 1.

3       Sec. 615. The department may provide and enter into agreements  
4 to provide general services, training, meetings, information,  
5 special equipment, software, facility use, and technical consulting  
6 services to other principal executive departments, state agencies,  
7 local units of government, the judicial branch of government, other  
8 organizations, and patrons of department facilities. The department  
9 may charge fees for these services that are reasonably related to  
10 the cost of providing the services. In addition to the funds  
11 appropriated in part 1, funds collected by the department for these  
12 services are appropriated for all expenses necessary. The funds  
13 appropriated under this section are allotted for expenditure when  
14 they are received by the department of treasury.

#### 15    HEALTH REGULATION

16       Sec. 714. (1) The department shall report by April 1 to the  
17 subcommittees, fiscal agencies, and state budget director on the  
18 timeliness of nursing facility complaint investigations and the  
19 number of allegations that are substantiated on an annual basis.  
20 The report shall consist of the number of allegations filed by  
21 consumers and the number of facility-reported incidents. The  
22 department shall make every effort to contact every complainant and  
23 the subject of a complaint during an investigation.

24       (2) The department shall gather information on its most  
25 frequently cited complaint deficiencies for the prior 3 fiscal  
26 years and include that information in the report required under

1 subsection (1). The department shall determine whether there is an  
2 increase in the number of citations from 1 year to the next and  
3 assess the cause of the increase, if any, and whether education and  
4 training of nursing facility staff or department staff is needed.

5 Sec. 726. (1) The department shall submit a report by January  
6 1 to the standing committees on appropriations of the senate and  
7 house of representatives, the fiscal agencies, and the state budget  
8 director that includes all of the following information for the  
9 prior fiscal year regarding the medical marihuana program under the  
10 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to  
11 333.26430:

12 (a) The number of initial applications received.

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

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

17 (d) The number of renewal applications received.

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

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

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

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

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

5       (j) The percentage of registry cards for approved renewal  
6 applications not issued within the time requirements established in  
7 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL  
8 333.26426.

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

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

15       (2) If the required fees are shown to be insufficient to  
16 offset all expenses of implementing and administering the medical  
17 marihuana program, the department shall review and revise the  
18 application and renewal fees accordingly to ensure that all  
19 expenses of implementing and administering the medical marihuana  
20 program are offset as is permitted under section 5 of the Michigan  
21 medical marihuana act, 2008 IL 1, MCL 333.26425.

22       Sec. 731. (1) The bureau of health systems shall prepare a  
23 report detailing the number of facilities, locations, and beds for  
24 each type of health facility licensed, certified, inspected, or  
25 otherwise regulated by the bureau. The report shall also include  
26 the bureau's cost to license, certify, inspect, or otherwise  
27 regulate each type of facility. The data required by this

1 subsection shall be collected and reported on acute care hospitals,  
2 home health agencies, hospices, hospice residences, psychiatric  
3 units in general hospitals, psychiatric hospitals, partial  
4 hospitalization psychiatric programs, outpatient surgical  
5 facilities, laboratories, end stage renal disease facilities, rural  
6 health clinics, substance abuse programs, long-term care facilities  
7 including nursing homes, hospital long-term care units, county  
8 medical care facilities, and radiation machines.

9 (2) By February 1, the bureau of health systems shall work  
10 with interested stakeholders to recommend to the governor and the  
11 legislature a schedule of fees to be charged by the bureau for  
12 regulating health facilities. The fee schedule proposed by the  
13 bureau shall bear a direct relationship to the cost of the service  
14 or act, including overhead expenses. The report shall also  
15 recommend the necessary statutory and administrative rule changes  
16 necessary to implement the recommended fee schedule.

17 Sec. 732. From the appropriations made in part 1 for the  
18 bureau of health systems, at least \$530,000.00 must be expended for  
19 activities related to the inspection and licensing of freestanding  
20 surgical outpatient facilities.

#### 21 **AUTISM COVERAGE**

22 Sec. 801. Of the amount appropriated in part 1 for the autism  
23 coverage fund, \$15,000,000.00 is appropriated and may be expended  
24 by the department as provided in the autism coverage reimbursement  
25 act, 2012 PA 101, MCL 550.1831 to 550.1841.

26 Sec. 802. (1) From the funds appropriated in part 1, the

1 department shall produce a report that contains all of the  
2 following information on the autism coverage program for the fiscal  
3 year ending September 30, 2013:

4 (a) The number of reimbursements for diagnosis or treatment in  
5 each county.

6 (b) The average cost of a diagnosis reimbursement.

7 (c) The average cost of a treatment reimbursement.

8 (2) By September 30, 2013, the department shall provide the  
9 report required under subsection (1) to the house and senate  
10 appropriations committees, the fiscal agencies, and the state  
11 budget director using all available information at that time.

12 PART 2A

13 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

14 FOR FISCAL YEAR 2013-2014

15 **GENERAL SECTIONS**

16 Sec. 1201. It is the intent of the legislature to provide  
17 appropriations for the fiscal year ending on September 30, 2014 for  
18 the line items listed in part 1. The fiscal year 2013-2014  
19 appropriations are anticipated to be the same as those for fiscal  
20 year 2012-2013, except that the line items will be adjusted for  
21 changes in caseload and related costs, federal fund match rates,  
22 economic factors, and available revenue. These adjustments will be  
23 determined after the January 2013 consensus revenue estimating  
24 conference.