

SUBSTITUTE FOR
SENATE BILL NO. 177

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2026; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2026, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	30.0
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Full-time equated classified positions	1,823.0
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1	GROSS APPROPRIATION		\$ 657,053,200
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and		
4	intradepartmental transfers		30,192,600
5	ADJUSTED GROSS APPROPRIATION		\$ 626,860,600
6	Federal revenues:		
7	DOE-OEERE, multiple grants		4,109,100
8	Total federal revenues		34,478,800
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		0
12	Corporations fees		3,391,800
13	Total other state restricted revenues		284,842,500
14	State general fund/general purpose		\$ 307,539,300
15	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
16	SUPPORT		
17	Full-time equated unclassified positions	30.0	
18	Full-time equated classified positions	104.0	
19	Unclassified salaries--FTEs	30.0	\$ 3,083,500
20	Administrative services--FTEs	70.0	8,070,700
21	Executive director programs--FTEs	23.0	3,454,400
22	Property management		6,924,200
23	Worker's compensation		72,000
24	Regulatory effectiveness office--FTEs	11.0	1,700,200
25	GROSS APPROPRIATION		\$ 23,305,000
26	Appropriated from:		
27	Interdepartmental grant revenues:		
28	IDG from MDIFS, accounting services		150,000

1	Federal revenues:	
2	EPA, underground storage tanks	30,700
3	HHS-Medicaid, certification of health care	
4	providers and suppliers	380,000
5	HHS-Medicare, certification of health care	
6	providers and suppliers	629,800
7	Special revenue funds:	
8	Aboveground storage tank fees	90,300
9	Accountancy enforcement fund	54,900
10	Boiler inspection fund	284,000
11	Builder enforcement fund	102,700
12	Construction code fund	884,500
13	Corporation fees	4,506,300
14	Elevator fees	307,400
15	Fire alarm fees	7,100
16	Fire safety standard and enforcement fund	2,100
17	Fire service fees	348,900
18	Fireworks safety fund	57,600
19	Health professions regulatory fund	1,918,900
20	Health systems fees	213,400
21	Licensing and regulation fund	833,200
22	Liquor license revenue	292,400
23	Liquor purchase revolving fund	3,176,300
24	Marihuana registry fund	196,200
25	Marihuana regulation fund	1,565,700
26	Marihuana regulatory fund	640,500
27	Michigan unarmed combat fund	5,400
28	Mobile home code fund	257,200

1	Nurse professional fund		38,700
2	PMECSEMA fund		45,900
3	Property development fees		7,300
4	Public utility assessments		3,365,000
5	Real estate appraiser education fund		2,600
6	Real estate education fund		11,000
7	Real estate enforcement fund		11,300
8	Refined petroleum fund		147,700
9	Securities fees		1,482,000
10	Securities investor education and training fund		9,200
11	Security business fund		6,700
12	Survey and remonumentation fund		96,600
13	Tax tribunal fund		822,300
14	Utility consumer representation fund		51,300
15	State general fund/general purpose	\$	271,900
16	Sec. 103. PUBLIC SERVICE COMMISSION		
17	Full-time equated classified positions	223.0	
18	Michigan Saves		3,500,000
19	Public service commission--FTEs	223.0	41,910,800
20	GROSS APPROPRIATION	\$	45,410,800
21	Appropriated from:		
22	Federal revenues:		
23	DOT, gas pipeline safety		2,671,500
24	Special revenue funds:		
25	Public utility assessments		39,239,300
26	State general fund/general purpose	\$	3,500,000
27	Sec. 104. LIQUOR CONTROL COMMISSION		
28	Full-time equated classified positions	150.0	

1	Liquor licensing and enforcement--FTEs	119.0	18,176,300
2	Management support services--FTEs	31.0	4,984,900
3	GROSS APPROPRIATION	\$	23,161,200
4	Appropriated from:		
5	Special revenue funds:		
6	Direct shipper enforcement revolving fund		317,900
7	Liquor control enforcement and license		
8	investigation revolving fund		175,000
9	Liquor license fee enhancement fund		76,400
10	Liquor license revenue		8,514,300
11	Liquor purchase revolving fund		14,077,600
12	State general fund/general purpose	\$	0
13	Sec. 105. OCCUPATIONAL REGULATION		
14	Full-time equated classified positions	942.0	
15	Bureau of community and health systems--FTEs	167.0	27,403,400
16	Bureau of construction codes--FTEs	198.0	37,744,800
17	Bureau of fire services--FTEs	86.0	14,451,900
18	Bureau of professional licensing--FTEs	198.0	42,847,800
19	Bureau of survey and certification--FTEs	184.0	32,137,900
20	Corporations, securities, and commercial		
21	licensing bureau--FTEs	109.0	16,975,900
22	Urban search and rescue		1,000,000
23	GROSS APPROPRIATION	\$	172,561,700
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	Federal revenues:		
27	DHS, fire training systems		528,000
28	DOT, hazardous materials training and planning		20,000

1	EPA, underground storage tanks	820,600
2	HHS-Medicaid, certification of health care	
3	providers and suppliers	9,201,600
4	HHS-Medicare, certification of health care	
5	providers and suppliers	14,808,100
6	DOE-OEERE, multiple grants	4,109,100
7	Special revenue funds:	
8	Aboveground storage tank fees	343,700
9	Accountancy enforcement fund	1,216,000
10	Adult foster care facilities licenses fund	373,600
11	Boiler inspection fund	3,046,500
12	Builder enforcement fund	644,000
13	Construction code fund	13,763,000
14	Corporation fees	9,619,200
15	Division on deafness fund	73,400
16	Elevator fees	8,513,100
17	Fire alarm fees	138,400
18	Fire safety standard and enforcement fund	32,300
19	Fire service fees	3,160,900
20	Fireworks safety fund	1,259,100
21	Health professions regulatory fund	27,363,300
22	Health systems fees	4,204,300
23	Licensing and regulation fund	11,819,800
24	Liquor purchase revolving fund	159,500
25	Marihuana regulatory fund	500,000
26	Mobile home code fund	2,141,400
27	Nurse aide registration fund	1,692,400
28	Nurse professional fund	1,968,000

1	PMECSEMA fund			2,585,000
2	Property development fees			192,600
3	Real estate appraiser education fund			6,200
4	Real estate education fund			604,000
5	Real estate enforcement fund			759,700
6	Refined petroleum fund			2,667,900
7	Securities fees			5,405,200
8	Securities investor education and training fund			503,900
9	Security business fund			182,700
10	Survey and remonumentation fund			910,600
11	State general fund/general purpose		\$	37,224,600
12	Sec. 106. CANNABIS REGULATORY AGENCY			
13	Full-time equated classified positions	183.0		
14	Cannabis regulatory agency--FTEs	183.0	\$	33,842,500
15	GROSS APPROPRIATION		\$	33,842,500
16	Appropriated from:			
17	Special revenue funds:			
18	Industrial hemp licensing and registration fund			296,200
19	Marihuana registry fund			2,256,300
20	Marihuana regulation fund			23,090,200
21	Marihuana regulatory fund			8,199,800
22	State general fund/general purpose		\$	0
23	Sec. 107. MICHIGAN OFFICE OF ADMINISTRATIVE			
24	HEARINGS AND RULES			
25	Full-time equated classified positions	176.0		
26	Michigan office of administrative hearings and			
27	rules--FTEs	176.0	\$	37,034,900
28	GROSS APPROPRIATION		\$	37,034,900

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG revenues, administrative hearings and rules		28,594,000
4	Special revenue funds:		
5	Construction code fund		27,400
6	Corporation fees		998,900
7	Health professions regulatory fund		881,800
8	Health systems fees		165,500
9	Licensing and regulation fund		914,300
10	Liquor purchase revolving fund		493,200
11	Marihuana regulation fund		253,500
12	Marihuana regulatory fund		98,900
13	Public utility assessments		2,970,600
14	Securities fees		1,048,600
15	State general fund/general purpose	\$	588,200
16	Sec. 108. COMMISSIONS		
17	Full-time equated classified positions	45.0	
18	Michigan indigent defense commission--FTEs	25.0	\$ 3,947,900
19	Michigan unarmed combat commission		126,200
20	Michigan Tax Tribunal--FTEs	20.0	4,213,900
21	GROSS APPROPRIATION	\$	8,288,000
22	Appropriated from:		
23	Special revenue funds:		
24	Michigan unarmed combat fund		126,200
25	Tax tribunal fund		822,100
26	Corporations fees		3,391,800
27	State general fund/general purpose	\$	3,947,900
28	Sec. 109. DEPARTMENT GRANTS		

1	Firefighter training grants	\$	2,300,000
2	Liquor law enforcement grants		9,900,000
3	Marihuana operation and oversight grants		3,000,000
4	Michigan indigent defense commission grants		258,345,300
5	Remonumentation grants		6,800,000
6	Utility consumer representation		2,100,000
7	GROSS APPROPRIATION	\$	282,445,300
8	Appropriated from:		
9	Special revenue funds:		
10	Fireworks safety fund		2,300,000
11	Liquor license revenue		9,900,000
12	Local indigent defense reimbursement		300,000
13	Marihuana regulation fund		3,000,000
14	Survey and remonumentation fund		6,800,000
15	Utility consumer representation fund		2,100,000
16	State general fund/general purpose	\$	258,045,300
17	Sec. 110. INFORMATION TECHNOLOGY		
18	Information technology services and projects	\$	27,803,800
19	GROSS APPROPRIATION	\$	27,803,800
20	Appropriated from:		
21	IDG revenues, administrative hearings and rules		1,448,600
22	Total interdepartmental grants and		
23	intradepartmental transfers		1,448,600
24	Federal revenues:		
25	DOT, gas pipeline safety		152,600
26	EPA, underground storage tanks		99,900
27	HHS-Medicaid, certification of health care		
28	providers and suppliers		385,100

1	HHS-Medicare, certification of health care	
2	providers and suppliers	641,800
3	Special revenue funds:	
4	Aboveground storage tank fees	34,500
5	Accountancy enforcement fund	1,600
6	Boiler inspection fund	387,500
7	Construction code fund	1,331,900
8	Corporation fees	5,800,700
9	Elevator fees	505,400
10	Fire safety standard and enforcement fund	3,500
11	Fire service fees	542,700
12	Fireworks safety fund	74,800
13	Health professions regulatory fund	2,787,700
14	Health systems fees	366,200
15	Industrial hemp licensing and registration fund	4,000
16	Licensing and regulation fund	941,700
17	Licensing license revenue	235,400
18	Liquor purchase revolving fund	4,796,800
19	Marihuana registry fund	193,600
20	Marihuana regulation fund	1,231,500
21	Marihuana regulatory fund	553,000
22	Michigan unarmed combat fund	6,800
23	Mobile home code fund	205,000
24	Nurse aide registration fund	7,000
25	PMECSEMA fund	68,500
26	Public utility assessments	2,038,000
27	Real estate appraiser education fund	1,000
28	Real estate education fund	4,800

1	Refined petroleum fund	235,200
2	Securities fees	465,600
3	Securities investor education and training fund	6,100
4	Survey and remonumentation fund	75,400
5	Tax tribunal fund	208,500
6	State general fund/general purpose	\$ 1,961,400
7	Sec. 111. ONE-TIME APPROPRIATIONS	
8	Bureau of fire services - smoke detectors	\$ 1,000,000
9	Cannabis regulatory agency social equity	
10	program	1,000,000
11	Michigan saves	1,000,000
12	Real Estate Continuing Education	200,000
13	GROSS APPROPRIATION	\$ 3,200,000
14	Appropriated from:	
15	Special revenue funds:	
16	Marihuana regulation fund	1,000,000
17	Real estate education fund	200,000
18	State general fund/general purpose	\$ 2,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2025-2026

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2026, total state spending from state sources under part 1 is \$585,969,100.00 and state spending from state sources to be paid to local units of government is \$280,345,300.00. The itemized statement below identifies appropriations from which spending to

local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Firefighter training grants	\$	2,300,000
Liquor law enforcement grants		9,900,000
Marihuana operation and oversight grants		3,000,000
Michigan indigent defense commission grants		258,345,300
Remonumentation grants		6,800,000
TOTAL	\$	280,345,300

Sec. 202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

(c) "FTE" means full-time equated.

(d) "IDG" means interdepartmental grant.

(e) "Standard report recipients" means the senate and house of representatives subcommittees on the department, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 204. A department or agency shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

1 (a) The funds must not be used for the purchase of foreign
2 goods or services, or both, if competitively priced and of
3 comparable quality American goods or services, or both, are
4 available.

5 (b) Preference must be given to goods or services, or both,
6 manufactured or provided by Michigan businesses, if they are
7 competitively priced and of comparable quality.

8 (c) Preference must be given to goods or services, or both,
9 that are manufactured or provided by Michigan businesses owned and
10 operated by veterans, if they are competitively priced and of
11 comparable quality.

12 (d) Preference must be given to goods or services, or both,
13 that are manufactured in facilities that employ union members.

14 Sec. 206. The department shall not take disciplinary action
15 against an employee of the department for communicating with a
16 member of the legislature or legislative staff, unless the
17 communication is prohibited by law and the department is exercising
18 its authority as provided by law.

19 Sec. 207. Consistent with section 217 of the management and
20 budget act, 1984 PA 431, MCL 18.1217, the department shall prepare
21 a report on out-of-state travel expenses not later than January 1.
22 The report must list all travel outside this state by classified
23 and unclassified employees in the previous fiscal year that was
24 funded in whole or in part with funds appropriated in the
25 department's budget. The department shall submit the report to the
26 standard report recipients and to the senate and house
27 appropriations committees. The report must include all of the
28 following information:

29 (a) The dates of each travel occurrence.

1 (b) The total transportation and related expenses of each
2 travel occurrence and the proportions funded with state general
3 fund/general purpose revenues, state restricted revenues, federal
4 revenues, and other revenues.

5 Sec. 208. A principal executive department, state agency, or
6 authority shall not use funds appropriated in part 1 to hire a
7 person to provide legal services that are the responsibility of the
8 attorney general. This section does not apply to legal services for
9 bonding activities or to outside legal services that the attorney
10 general authorizes.

11 Sec. 209. Not later than December 15, the state budget office
12 shall prepare and submit a report that provides for estimates of
13 the total general fund/general purpose appropriation lapses at the
14 close of the previous fiscal year. The report must summarize the
15 projected year-end general fund/general purpose appropriation
16 lapses by major departmental program or program areas. The state
17 budget office shall submit the report to the standard report
18 recipients and the chairpersons of the senate and house of
19 representatives appropriations committees.

20 Sec. 210. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$1,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in this part under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$25,000,000.00 for state
28 restricted contingency funds. These funds are not available for
29 expenditure until they have been transferred to another line item

1 in this part under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

3 (3) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$200,000.00 for local
5 contingency funds. These funds are not available for expenditure
6 until they have been transferred to another line item in this part
7 under section 393(2) of the management and budget act, 1984 PA 431,
8 MCL 18.1393.

9 (4) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$100,000.00 for private
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in this part
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

15 Sec. 211. A department or agency shall cooperate with the
16 department of technology, management, and budget to maintain a
17 searchable website accessible by the public at no cost that
18 includes, but is not limited to, all of the following for each
19 department or agency:

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

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

22 (c) Fiscal-year-to-date payments to a selected vendor,
23 including the vendor name, payment date, payment amount, and
24 payment description.

25 (d) The number of active employees by job classification.

26 (e) Job specifications and wage rates.

27 Sec. 212. Not later than 14 days after the release of the
28 executive budget recommendation, the department shall cooperate
29 with the state budget office to provide an annual report on

1 estimated state restricted fund balances, state restricted fund
2 projected revenues, and state restricted fund expenditures for the
3 previous 2 fiscal years. The report must be submitted to the
4 standard report recipients and to the chairpersons of the senate
5 and house appropriations committees.

6 Sec. 214. To the extent permissible under the management and
7 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of
8 each department or agency receiving appropriations under part 1
9 shall take all reasonable steps to ensure geographically
10 disadvantaged business enterprises compete for and perform
11 contracts to provide services or supplies, or both. Each director
12 shall strongly encourage firms with which the department or agency
13 contracts to subcontract with certified geographically
14 disadvantaged business enterprises for services, supplies, or both.
15 As used in this section, "geographically disadvantaged business
16 enterprises" means that term as defined in Executive Directive No.
17 2023-1.

18 Sec. 215. On a quarterly basis, the department shall report on
19 the number of full-time equated positions in pay status by civil
20 service classification, including a comparison by line item of the
21 number of full-time equated positions authorized from funds
22 appropriated in part 1 to the actual number of full-time equated
23 positions employed by the department at the end of the reporting
24 period. The report must be submitted to the standard report
25 recipients and the senate and house appropriations committees.

26 Sec. 218. The department shall receive and retain copies of
27 all reports funded from appropriations in part 1. The department
28 shall follow federal and state guidelines for short-term and long-
29 term retention of records. The department may electronically retain

1 copies of reports unless otherwise required by federal or state
2 guidelines.

3 Sec. 219. Not later than April 1, the department shall report
4 on each specific policy change made to implement a public act
5 affecting the department that took effect during the previous
6 calendar year. The department shall submit the report to the
7 standard report recipients, the senate and house appropriations
8 committees, and the joint committee on administrative rules.

9 Sec. 221. (1) Funds appropriated in part 1 must not be used to
10 restrict or impede a marginalized community's access to government
11 resources, programs, or facilities.

12 (2) From the funds appropriated in part 1, local governments
13 shall report any action or policy that attempts to restrict or
14 interfere with the duties of a local health officer.

15 Sec. 222. To the extent possible, the department shall not
16 expend appropriations under part 1 until all existing authorized
17 work project funds available for the same purposes are exhausted.

18 Sec. 223. (1) General fund appropriations in part 1 shall not
19 be expended for items if federal funding or private grant funding
20 is available for the same expenditures.

21 (2) If the department is required to make a reduction in
22 expenditures under section 395(1) or (2) of the management and
23 budget act, 1984 PA 431, MCL 18.1395, for any appropriation under
24 this part or part 1, the department must notify the standard report
25 recipients not later than 10 days after the reduction. The
26 notification must include, but not be limited to, the following:

27 (a) A description of the fund source that is insufficient to
28 support the expenditures being reduced and the amount of the
29 reduction.

1 (b) A description of the cause for the reduction, if any such
2 cause is known.

3 (c) A description of the functions of state government or
4 services to residents that will be affected by the reduction.

5 Sec. 225. (1) Not later than December 31, the department shall
6 submit a report that pertains to licensing and regulatory programs
7 overseen by the following agencies:

8 (a) Liquor control commission.

9 (b) Bureau of fire services.

10 (c) Corporations, securities, and commercial licensing bureau.

11 (d) Bureau of professional licensing.

12 (2) The report under subsection (1) must be in a format that
13 is consistent between the agencies listed in subsection (1) and
14 must provide, but is not limited to, the following information for
15 the previous fiscal year, as applicable, for each agency:

16 (a) Revenue generated by and expenditures disbursed for each
17 regulatory product.

18 (b) Revenue generated, by regulatory product or regulated
19 activity.

20 (c) The renewal cycle and amount of each fee charged.

21 (d) Number of initial applications.

22 (e) Number of initial applications denied.

23 (f) Number of license renewals.

24 (g) Average amount of time to approve or deny completed
25 applications.

26 (h) Number of examinations proctored for initial applications.

27 (i) A description of the types of complaints received.

28 (j) A description of the process used to resolve complaints.

29 (k) Number of complaints received.

1 (l) Number of complaints investigated.

2 (m) Number of complaints closed with no action.

3 (n) Number of complaints resulting in administrative actions
4 or citations.

5 (o) Average amount of time to complete investigations.

6 (p) Number of enforcement actions, including license
7 revocations, suspensions, and fines.

8 (q) A description of the types of enforcement actions taken
9 against licensees.

10 (r) Number of administrative hearing adjudications.

11 (3) An agency listed in subsection (1)(a) or (b) shall report
12 by regulated activity and an agency listed in subsection (1)(c) or
13 (d) shall report by regulatory product or regulated activity, or
14 both.

15 (4) As used in this section:

16 (a) "Regulated activity" means the particular activities,
17 entities, facilities, and industries regulated by the agencies
18 specified in subsection (1).

19 (b) "Regulatory product" means each occupation, profession,
20 trade, or program, which includes licensure, certification,
21 registration, inspection, review, permitting, approval, or any
22 other regulatory service provided by the agencies specified in
23 subsection (1) for each regulated activity.

24 Sec. 226. (1) For any grant program or project funded in part
25 1 intended for a single recipient organization or unit of local
26 government, the grant program or project is for a public purpose
27 and the department shall follow procurement statutes of this state,
28 including any bidding requirements, unless the department can fully
29 validate, through information detailed in this part or public

1 supporting documents, both of the following:

2 (a) The specific organization or unit of local government that
3 will receive or administer the funds.

4 (b) How the funds will be administered and expended.

5 (2) To be eligible to receive a grant described in subsection
6 (1), both of the following must occur:

7 (a) A recipient must submit the application under subsection
8 (3) not later than 60 days after the effective date of this act.

9 (b) A recipient must be 1 of the following:

10 (i) A unit of local government, as that term is defined in
11 section 115 of the management and budget act, 1984 PA 431, MCL
12 18.1115.

13 (ii) An institution of higher education.

14 (iii) A state agency, as that term is defined in section 115 of
15 the management and budget act, 1984 PA 431, MCL 18.1115.

16 (iv) An entity registered with the department of licensing and
17 regulatory affairs or the department of attorney general that has
18 been in existence for at least the 12 months preceding the
19 effective date of this act.

20 (v) Another entity that can demonstrate, through state or
21 federal tax filings or other state or federal government records,
22 that it has been in existence for at least the 12 months preceding
23 the effective date of this act.

24 (3) Notwithstanding any other conditions or requirements for
25 direct appropriation grants, the department shall work with the
26 state budget office to perform at least all of the following
27 activities to administer the grants described in subsection (1):

28 (a) Develop a standard application process using the
29 electronic submission portal developed by the state budget office,

1 grantee reporting requirements, and any other necessary
2 documentation, including sponsorship information as specified under
3 subsection (4). If the electronic submission portal identified in
4 this subdivision is not fully functional by 60 days after the
5 effective date of this act, the state budget office shall ensure
6 that the standard application process and form are available
7 promptly and paper submission is acceptable. The state budget
8 office shall promptly submit application material received to the
9 department for departmental review.

10 (b) Establish a process to review, complete, and execute a
11 grant agreement with a grant recipient. The department shall not
12 execute a grant agreement unless all necessary documentation has
13 been submitted and reviewed.

14 (c) Verify to the extent possible that a grant recipient will
15 use funds for a public purpose that serves the economic prosperity,
16 health, safety, or general welfare of the residents of this state.

17 (d) Review and verify all necessary information to ensure the
18 grant recipient is reasonably able to execute the grant agreement,
19 perform its fiduciary duty, and comply with all applicable state
20 and federal statutes. The department may deduct the cost of
21 background checks and any other efforts performed as part of this
22 verification from the amount of the designated grant award.

23 (e) Establish a standard timeline to review all documents
24 submitted by grant recipients and provide a response within 45
25 business days stating whether submitted documents by a grant
26 recipient are sufficient or in need of additional information. If
27 additional information is needed, the 60-day deadline in subsection
28 (2) is considered to have been met if a sponsor has been identified
29 for that grant. If a grant recipient does not provide information

1 sufficient to execute a grant agreement not later than 60 days
2 after being notified by the department of grant approval, the
3 department shall return funds associated with the grant to the
4 state treasury.

5 (f) Make an initial disbursement of up to 50% of the grant to
6 the grant recipient not later than 60 days after a grant agreement
7 has been executed. Disbursements must be consistent with part II,
8 chapter 10, section 200 of the Financial Management Guide.

9 (g) Disburse the funds remaining after the initial
10 disbursement under subdivision (f) per the grant disbursement
11 schedule in the executed grant agreement on a reimbursement basis
12 after the grantee has provided sufficient documentation, as
13 determined by the department, to verify that expenditures were made
14 in accordance with the project purpose.

15 (4) The identification and process for sponsorship of a grant
16 described in subsection (1) are as follows:

17 (a) Not later than the effective date of this act, the state
18 budget office shall provide an initial list of grants that require
19 legislative sponsorship to the legislature and shall make public an
20 initial list of grants that likely will be sponsored by the
21 department or by the state budget office.

22 (b) A sponsor of a grant described in subsection (1) must be a
23 legislator, the department, or the state budget office.

24 (c) A legislative sponsor must be identified through a letter
25 submitted by that legislator's office to the department and state
26 budget director containing the name of the grant recipient, the
27 intended amount of the grant, a certification from that legislator
28 that the grant is for a public purpose, and specific citation of
29 the section and subsection of the public act that authorizes the

1 grant, as applicable.

2 (d) Within 10 business days after the effective date of this
3 act, the senate and house of representatives shall compile an
4 initial list of legislative grant sponsors for their respective
5 chambers and submit those compiled lists to the state budget office
6 and the department, and the state budget office shall identify
7 department- or state budget office-sponsored grants. The state
8 budget director may grant an extension of this deadline of not more
9 than 30 days on a case-by-case basis. The state budget office shall
10 make the compiled lists public within 14 business days after the
11 effective date of this act.

12 (e) Not later than 60 days after the effective date of this
13 act, the state budget office shall publish a final list of grants
14 requiring sponsorship. If a legislative sponsor is not identified
15 within 60 days after the effective date of this act, the department
16 shall do 1 of the following:

17 (i) Identify the department or the state budget office as the
18 sponsor.

19 (ii) Decline to execute the grant agreement and lapse the
20 associated funds at the end of the fiscal year.

21 (f) At any point during the fiscal year, legislative grant
22 sponsors may be added to a grant request.

23 (5) An executed grant agreement under this section between the
24 department and a grant recipient must include at least all of the
25 following:

26 (a) All necessary identifying information for the grant
27 recipient, including any tax and financial information for the
28 department to administer funds under this section.

29 (b) A description of the project for which the grant funds

1 will be expended, including tentative timelines and the estimated
2 budget. The department shall not reimburse expenditures that are
3 outside of the project purpose, as stated in the executed grant
4 agreement, from appropriations in part 1. The grantee shall return
5 to the treasury any interest in excess of \$1,000.00 earned on the
6 grant funds while unexpended and in possession of the grantee.

7 (c) Unless otherwise specified in department policy, a
8 requirement that funds appropriated for the grants described in
9 subsection (1) may be used only for expenditures that occur on or
10 after the effective date of this act.

11 (d) A requirement for reporting by the grant recipient to the
12 department and the legislative sponsor that provides the status of
13 the project and an accounting of all funds expended by the grant
14 recipient, as determined by the department.

15 (e) A claw-back provision that allows the department of
16 treasury to recoup or otherwise collect any funds that are
17 declined, unspent, or otherwise misused.

18 (f) The signed legislative sponsorship letter required under
19 subsection (4), incorporated into the grant agreement and included
20 as an appendix or attachment.

21 (g) If a grant recipient has provided information sufficient
22 to execute a grant agreement, the state budget office shall
23 promptly transmit that information to the department for the
24 department's review of the grant application. If a grant recipient
25 has provided information sufficient to execute a grant agreement
26 within 60 days after the effective date of this act, but the grant
27 application needs technical fixes or additional legislative action,
28 as identified by the state budget office, the 60-day deadline in
29 this subdivision is considered to have been met, if a sponsor has

1 been identified for that grant. If a grant recipient does not
2 provide information sufficient to execute a grant agreement not
3 later than 60 days after being notified by the department of grant
4 approval, the department shall return funds associated with the
5 grant to the state treasury.

6 (6) If appropriate to improve the administration or oversight
7 of a grant described in subsection (1), the department may adopt a
8 memorandum of understanding with another state department to
9 perform the required duties under this section.

10 (7) A grant recipient shall respond to all reasonable
11 information requests from the department related to grant
12 expenditures and retain grant records for not less than 7 years,
13 and the grant may be subject to monitoring, site visits, and audits
14 as determined by the department. The grant agreement required under
15 this section must include signed assurance by the chief executive
16 officer or other executive officer of the grant recipient that the
17 requirements of this subsection will be met.

18 (8) The grant recipient shall expend all funds awarded and
19 complete all projects not later than September 30, 2030. If at that
20 time any unexpended funds remain, the grant recipient shall return
21 those funds to the state treasury.

22 (9) Any funds that are granted to a state department are
23 appropriated in that department for the purpose of the intended
24 grant.

25 (10) The state budget director may, on a case-by-case basis,
26 extend the deadline in subsection (8) on request by a grant
27 recipient if a sponsor has been identified for the grant. The state
28 budget director shall notify the chairs of the senate and house of
29 representatives appropriations committees not later than 5 days

1 after an extension is granted.

2 (11) By March 1, the state budget office shall post a report
3 in a publicly accessible location on its website. The report must
4 list the grant recipient, project purpose, and location of the
5 project for each grant described in subsection (1), the status of
6 funds allocated and disbursed under the grant agreement, and the
7 legislative sponsor, if applicable. After March 1, the state budget
8 office shall update the report monthly and shall post the updated
9 report each month. The state budget office shall include in the
10 report the most comprehensive information the office has available
11 at the time of posting for grants awarded. The state budget office
12 may compile the information required in this report across all
13 departments. The department shall assist the state budget office
14 with the compilation of the report required under this subsection.

15 (12) On request, beginning 75 days after the effective date of
16 this act, the state budget office shall release information
17 received for grant applications.

18 (13) As applicable, the legislative sponsor of a grant
19 described in subsection (1) shall not sponsor a grant, or ask
20 another legislator to sponsor a grant, if there is a conflict of
21 interest related to the grant recipient.

22 (14) If the department reasonably determines that the funds
23 allocated for an executed grant agreement under this section were
24 misused or that use of the funds was misrepresented by the grant
25 recipient, the department shall not award any additional funds
26 under the executed grant agreement and shall refer the grant for
27 review following internal audit protocols.

28 Sec. 227. A department or agency required to submit a report
29 under this part shall make each report readily accessible to the

1 public and conspicuously post each required report on the
2 department's or agency's Michigan.gov website not later than the
3 due date required for each report. In addition to placing all
4 reports required in the current fiscal year on the department or
5 agency's website, the department or agency shall maintain on its
6 website all reports placed on the website from previous fiscal
7 years.

8 Sec. 228. The state budget director shall take steps to ensure
9 that all state fiscal recovery funds allocated to this state under
10 the American rescue plan act of 2021, Public Law 117-2, are
11 expended by December 31, 2026, as required by law. A department or
12 agency receiving an appropriation under this part or part 1 must
13 notify the standard report recipients if an appropriation of funds
14 described under this section is projected to lapse.

15 Sec. 229. (1) Within 10 days after the effective date of this
16 act, the department must provide a report to the standard report
17 recipients containing the following information:

18 (a) A list of any sections in this act that the department
19 determines to be unenforceable, with a detailed legal rationale for
20 those determinations, as applicable.

21 (b) If a determination under subdivision (a) would affect the
22 operations of a program or programs within the department, the
23 department must report the estimated difference in cost between the
24 policy outlined in the section determined to be unenforceable and
25 the policy the department intends to pursue.

26 (2) The department may coordinate with the executive office of
27 the governor or other state departments or agencies to compile a
28 statewide report for any departments or agencies required to submit
29 a report substantially similar to the report described under

1 subsection (1).

2 Sec. 230. The department must provide a quarterly report to
3 the standard report recipients detailing federal policy changes
4 that do, or are expected to do, any of the following:

5 (a) Affect the operations of the department.

6 (b) Affect an industry, community, population, or other group
7 regulated or served by, or that otherwise engages with, the
8 department.

9 (c) Affect regulations that currently protect the public to
10 the extent that the regulations affect an industry, community,
11 population, or other group regulated or served by, or that
12 otherwise engages with, the department.

13 (d) Create a regulatory gap that could negatively impact the
14 public.

15 Sec. 250. (1) The department may charge registration fees to
16 attendees of informational, training, or special events that are
17 sponsored by the department and related to activities under the
18 department's purview.

19 (2) The registration fees must reflect the costs for the
20 department to sponsor the informational, training, or special
21 events.

22 (3) Revenue generated by the registration fees is appropriated
23 on receipt and may be expended by the department to cover the
24 department's costs of sponsoring informational, training, or
25 special events.

26 (4) Revenue generated by registration fees in excess of the
27 department's costs of sponsoring informational, training, or
28 special events carries forward to the subsequent fiscal year and
29 does not lapse to the general fund.

1 (5) The amount appropriated under subsection (3) must not
2 exceed \$1,000,000.00.

3 Sec. 251. The department may provide to interested entities
4 otherwise unavailable customized listings of nonconfidential
5 information, such as the names and addresses of licensees, in the
6 department's possession. The department may establish and collect a
7 reasonable fee to provide this service. Revenue generated from this
8 service is appropriated on receipt and must be used to offset the
9 expenses of the service. Any balance of this revenue collected and
10 unexpended at the end of the fiscal year lapses to the appropriate
11 restricted fund.

12 Sec. 252. (1) The department shall sell documents at a price
13 not to exceed the cost of production and distribution. Money
14 received from the sale of these documents reverts to the
15 department. In addition to the funds appropriated in part 1, funds
16 received by the department under this subsection may be expended by
17 the department upon receipt by the department of treasury. This
18 subsection applies for only the following:

19 (a) Corporation and securities division documents, reports,
20 and papers required or permitted by law in accordance with section
21 1060(6) of the business corporation act, 1972 PA 284, MCL 450.2060.

22 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
23 436.1101 to 436.2303.

24 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
25 to 125.2350; the business corporation act, 1972 PA 284, MCL
26 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
27 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
28 2008 PA 551, MCL 451.2101 to 451.2703.

29 (d) Construction code manuals.

1 (e) Copies of transcripts from administrative law hearings.

2 (2) In addition to the funds appropriated in part 1, funds
3 appropriated for the department under sections 57, 58, and 59 of
4 the administrative procedures act of 1969, 1969 PA 306, MCL 24.257,
5 24.258, and 24.259, and section 203 of the legislative council act,
6 1986 PA 268, MCL 4.1203, are appropriated for all expenses
7 necessary to provide for the cost of publication and distribution.

8 (3) Unexpended funds at the end of the fiscal year carry
9 forward to the subsequent fiscal year and do not lapse to the
10 general fund.

11 Sec. 253. Not later than March 30, the regulatory
12 effectiveness office shall submit a report to the standard report
13 recipients that includes the following information:

14 (a) Legislative recommendations for actions to take to improve
15 the effectiveness of licensing and regulation, including ideas that
16 make the licensing environment accessible to more consumers while
17 maintaining consumer protection.

18 (b) A plan from the department detailing actions needed to
19 improve licensing and regulatory effectiveness for consumers and
20 departmental actions, as well as detailed actions they have already
21 taken.

22 (c) The number of new licenses issued by category and number
23 of those who applied in those categories.

24 (d) The average turnaround time, in days, for licenses
25 approved by category.

26 Sec. 254. (1) Grants supported with private revenues received
27 by the department are appropriated on receipt and may be expended
28 by the department for the purposes specified within the grant
29 agreement and as permitted under state and federal law.

1 (2) Not later than 10 days after the receipt of a private
2 grant appropriated in subsection (1), the department shall notify
3 the chairpersons of the subcommittees, the senate and house fiscal
4 agencies, and the state budget office of the receipt of the grant,
5 including the fund source, purpose, and amount of the grant.

6 (3) The amount appropriated under subsection (1) must not
7 exceed \$4,000,000.00.

8 Sec. 255. Unless prohibited by law, the department may accept
9 credit card or other electronic means of payment for licenses,
10 fees, or permits.

11 Sec. 256. The department may carry into the succeeding fiscal
12 year unexpended federal pass-through funds to local institutions
13 and governments that do not require additional state matching
14 funds. Federal pass-through funds to local institutions and
15 governments that are received in amounts in addition to those
16 included in part 1 and that do not require additional state
17 matching funds are appropriated for the purposes intended for the
18 federal pass-through funds. Not later than 14 days after the
19 receipt of federal pass-through funds, the department shall notify
20 the chairpersons of the subcommittees, the senate and house fiscal
21 agencies, and the state budget office of pass-through funds
22 appropriated under this section.

23 24 **PUBLIC SERVICE COMMISSION**

25 Sec. 301. (1) The public service commission administers the
26 low-income energy assistance grant program on behalf of the
27 Michigan department of health and human services via an interagency
28 agreement. Funds supporting the grant program are appropriated to
29 the department upon the awarding of grants and may be expended for

1 grant payments and administrative-related expenses incurred in the
2 operation of the grant program.

3 (2) No later than March 30, the public service commission
4 shall submit a report to the standard report recipients based on
5 the grants administered, including:

6 (a) Median annual household income for recipients of the
7 grant.

8 (b) Number of grants administered in each county of this
9 state.

10 Sec. 302. (1) From the funds appropriated in part 1, the
11 Michigan public service commission shall conduct at least 1 public
12 hearing in the Upper Peninsula, 1 public hearing in the northwest
13 part of the Lower Peninsula, 1 public hearing in the northeast part
14 of the Lower Peninsula, 1 public hearing in the southeast part of
15 the Lower Peninsula, and 1 public hearing in the southwest part of
16 the Lower Peninsula.

17 (2) Not later than September 30, the Michigan public service
18 commission shall submit a report to the standard report recipients
19 that details the outcomes of the public hearings required under
20 this section and summarizes the public comments that were received
21 during the public hearings.

22 Sec. 303. (1) From the funds appropriated in part 1 for the
23 Michigan public service commission, the department shall designate
24 1 FTE to assist consumers with utility issues, utility disruption,
25 or outages.

26 (2) Not later than September 30, the Michigan public service
27 commission shall submit a report to the standard report recipients
28 that details the energy utility rates, including the following
29 information:

1 (a) The average utility cost for residential, commercial, and
2 industrial consumers in each county by type of utility.

3 (b) The average utility rates for residential, commercial, and
4 industrial consumers by utility type in the state.

5 (c) The most and least expensive utility cost in this state by
6 type.

7 (d) The number of utility companies that asked for a rate
8 increase by company name and whether the rate was approved or not.

9 (e) The number of utility consumers assisted by the department
10 for utility disruption, outages, and other utility issues.

11 (f) The number of complaints received per month in the
12 previous year.

13 (g) The commission's plan for statewide affordability using
14 the data collected in this subsection.

15 Sec. 304. From the funds appropriated in part 1 for Michigan
16 Saves, the Michigan public service commission may award a
17 \$3,500,000.00 grant to a nonprofit green bank with experience in
18 leveraging energy-efficiency and renewable energy improvements, for
19 the purpose of making such loans more affordable for Michigan
20 families, businesses, and public entities. Grant funds may be used
21 to support a loan loss reserve fund or other comparable financial
22 instrument to further leverage private investment in clean energy
23 improvements.

24 25 **LIQUOR CONTROL COMMISSION**

26 Sec. 401. (1) From the funds appropriated in part 1 from the
27 direct shipper enforcement revolving fund, the liquor control
28 commission shall expend the funds as required under section 203(11)
29 of the Michigan liquor control code of 1998, 1998 PA 58, MCL

1 436.1203, to investigate and audit unlawful direct shipments of
2 wine by unlicensed wineries and retailers, with priority directed
3 toward unlicensed out-of-state retailers and third-party marketers.
4 In addition to other investigative methods, the commission shall
5 use shipping records available to the commission under section
6 203(21) of the Michigan liquor control code of 1998, 1998 PA 58,
7 MCL 436.1203, to assist with the effort to investigate and audit
8 unlawful direct shipments of wine by unlicensed wineries and
9 retailers. The liquor control commission shall refer all identified
10 unlicensed out-of-state retailers and third-party marketers to the
11 attorney general.

12 (2) Not later than February 1, the liquor control commission
13 shall provide a report to the legislature and the standard report
14 recipients that details the commission's activities to investigate
15 and audit the illegal shipping of wine and the results of the
16 activities. The report must include all of the following:

17 (a) Work hours spent, specific actions performed, and the
18 number of full-time equated positions dedicated to identifying and
19 stopping unlicensed out-of-state retailers, third-party marketers,
20 and wineries that ship illegally in Michigan.

21 (b) General overview of expenditures associated with efforts
22 to identify and stop unlicensed out-of-state retailers, third-party
23 marketers, and wineries that ship illegally in this state.

24 (c) Number of out-of-state entities found to have illegally
25 shipped wine into this state and total number of 750 ml bottles,
26 number of cases with 750 ml bottles, number of liters, number of
27 gallons, or weight of illegally shipped wine. These items must be
28 itemized by total number of retailers and total number of wineries.

29 (d) Suggested areas of focus on how to address direct shipper

enforcement and illegal importation in the future.

(e) Number of unlicensed out-of-state entities found to have illegally shipped wine into this state that were identified with the shipping records described in subsection (1).

(f) Number of notices sent under subsection (3).

(3) From the funds appropriated in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into this state. The notice must include all of the following statements:

(a) That shipping wine into this state by unlicensed out-of-state retailers and third-party marketers is illegal, and wineries shipping into this state must obtain a direct shipper license.

(b) That under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into this state may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

(c) That the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

Sec. 501. The department shall not expend the funds appropriated under this part and part 1 for the bureau of fire services unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees are charged according to the following fee schedule:

Operation and maintenance inspection fee

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

1	<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
2	Nursing Homes	Any	\$5.00 per bed

3	<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
4	Homes for the		\$5.00 per bed

5 Aged

6	<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
7	Adult Foster Care	Greater than 6	\$5.00 per bed

8 residents

9 Plan review and construction inspection fees for
 10 hospitals and schools

11	<u>Project cost range</u>	<u>Fee</u>
12	\$101,000.00 or less	minimum fee of \$155.00
13	\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
14	\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
15	\$10,000,001.00 or more	\$1.10 per \$1,000.00
16		or a maximum fee of \$60,000.00.

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

23 Sec. 503. Not later than February 15, the department shall
 24 submit a report to the standard report recipients that provides all
 25 of the following information:

26 (a) The number of veterans who were separated from service in
 27 the Armed Forces of the United States with an honorable character
 28 of service or under honorable conditions (general) character of
 29 service, individually or if the veteran holds a majority interest

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

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

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

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

22 Sec. 504. Revenue collected by the department for the bureau
23 of community and health systems from fees and collections that
24 exceeds the amount appropriated in part 1 must be carried forward
25 into the subsequent fiscal year. The revenue carried forward under
26 this section must be used as the first source of funds in the
27 subsequent fiscal year.

28 Sec. 505. (1) To defray the costs associated with responding
29 to false final inspection appointments and to discourage the

1 practice of calling for final inspections when a project is
2 incomplete or noncompliant with a plan of correction previously
3 provided by the bureau of fire services, the bureau of fire
4 services may assess a fee of not more than \$800.00 for responding
5 to a second or subsequent confirmed false inspection appointment.
6 Fees collected under this section must be deposited into the
7 restricted account described in section 2c of the fire prevention
8 code, 1941 PA 207, MCL 29.2c, and explicitly identified within the
9 statewide integrated governmental management applications system.

10 (2) Not later than September 30, the department shall submit a
11 report to the standard report recipients that provides all of the
12 following:

13 (a) The amount of the fee assessed under subsection (1).

14 (b) The number of fees assessed and issued per region.

15 (c) The cost allocation for the work performed and reduced as
16 a result of this section.

17 (d) Any recommendations for consideration by the legislature.

18 Sec. 506. Not later than November 30, the department shall
19 submit a report to the standard report recipients on the Michigan
20 automated prescription system. The report must include, but is not
21 limited to, all of the following:

22 (a) The total number of licensed health professionals
23 registered to the Michigan automated prescription system.

24 (b) The total number of dispensers registered to the Michigan
25 automated prescription system.

26 (c) The total number of prescribers using the Michigan
27 automated prescription system.

28 (d) The total number of dispensers using the Michigan
29 automated prescription system.

1 (e) The total number of cases related to overprescribing,
2 overdispensing, and drug diversion where the department took
3 administrative action because of information and data generated
4 from the Michigan automated prescription system.

5 (f) The total number of hospitals, doctor's offices,
6 pharmacies, and other health facilities that have integrated the
7 Michigan automated prescription system into the facility's
8 electronic health records systems.

9 (g) The total number of delegate users registered to the
10 Michigan automated prescription system.

11 (h) The department's recommendations for electronic health
12 integration and optimizing data interpretation for the purpose of
13 advancing utilization practices and ease of consumer use and
14 interpretation.

15 Sec. 507. (1) From the funds appropriated in part 1 for bureau
16 of construction codes, not less than \$900,000.00 must be allocated
17 for additional inspections and enforcement activities related to
18 the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651
19 to 408.670, and the ski area safety act of 1962, 1962 PA 199, MCL
20 408.321 to 408.344.

21 (2) Not later than March 30, the department shall submit a
22 report to the standard report recipients that details the
23 allocation of funds under this section. The report must include an
24 itemized listing of how the funds were used.

25 Sec. 508. (1) Funds remaining in the homeowner construction
26 lien recovery fund are appropriated to the department for payment
27 of court-ordered homeowner construction lien recovery fund
28 judgments entered before August 23, 2010. Subject to available
29 funds, the payment of final judgments must be made in the order in

1 which the final judgments were entered and began accruing interest.

2 (2) No later than September 30, the department shall transmit
3 a report to the standard report recipients that details the
4 following:

5 (a) Expenditures from the fund.

6 (b) Revenue balance of the fund.

7 (c) Revenue sources for the fund.

8 (d) Where the expenditures are going.

9 Sec. 509. From the funds appropriated in part 1 for the bureau
10 of fire services, in accordance with the requirements under section
11 21c of the fire prevention code, 1941 PA 207, MCL 29.21c, the
12 bureau shall perform or work in cooperation with local units of
13 government to perform inspections at places of public assembly that
14 pose the highest risk to occupants for injury or fatality based on
15 the size, density, or the nature of activities performed within the
16 facility.

17 Sec. 510. From the funds appropriated in part 1 for bureau of
18 survey and certification, the department shall submit a report
19 pertaining to bureau activities, including surveys and
20 investigations of nursing homes, hospitals, and acute continuing
21 care providers to the standard report recipients not later than
22 March 30.

23 Sec. 511. From the funds appropriated in part 1, the bureau of
24 construction codes shall submit biannual reports not later than
25 April 1 and September 30 to the standard report recipients that
26 include all of the following information:

27 (a) A description of the specific changes that the bureau
28 implemented to decrease the average length of time to process
29 premanufactured unit plan submissions.

1 (b) The average length of time to process a premanufactured
2 unit plan submission in fiscal year 2023-2024.

3 (c) The average length of time to process a premanufactured
4 unit plan submission in fiscal year 2024-2025.

5 (d) The total number of premanufactured unit plans submitted
6 in fiscal year 2023-2024.

7 (e) The total number of premanufactured unit plans submitted
8 in fiscal year 2024-2025.

9 (f) The total number of premanufactured unit plans submitted
10 in fiscal year 2025-2026.

11 Sec. 512. (1) From the funds appropriated in part 1 for the
12 bureau of construction codes, not less than \$500,000.00 must be
13 allocated to create a database of mobile home park or seasonal
14 mobile home park owners that includes every owner's contact
15 information, license number, and current licensing status and any
16 violations they have. The department must establish a method in
17 which the public can submit a reporting form regarding potentially
18 unlicensed owners. This database must be established by March 30.

19 (2) At least 1.0 FTE must be allocated to assist with mobile
20 home park resident complaints and issues. No later than September
21 30, the department must transmit to the standard boilerplate
22 recipients a report that includes the number of complaints received
23 and the number of complaints resolved.

24
25 **CANNABIS REGULATORY AGENCY**

26 Sec. 601. Not later than January 31, the department shall
27 submit a comprehensive report to the standard report recipients for
28 all marihuana programs administered by the cannabis regulatory
29 agency. This report must include, but is not limited to, all of the

1 following information for the previous fiscal year regarding the
2 marihuana programs under the Michigan Medical Marihuana Act, 2008
3 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities
4 licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the
5 Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL
6 333.27951 to 333.27967:

7 (a) The number of initial applications received, by license
8 category.

9 (b) The number of initial applications approved and the number
10 of initial applications denied, by license category.

11 (c) The average amount of time, from receipt to approval or
12 denial, to process an initial application, by license category.

13 (d) The number of renewal applications approved, by license
14 category and by county.

15 (e) The number of renewal applications received, by license
16 category and by county, if applicable.

17 (f) The number of renewal applications denied, by license
18 category and by county.

19 (g) The average amount of time, from receipt to approval or
20 denial, to process a renewal application, by license category, if
21 applicable.

22 (h) The percentage of initial applications not approved or
23 denied within the time requirements established in the respective
24 act, by license category, if applicable.

25 (i) The percentage of renewal applications not approved or
26 denied within the time requirements established in the respective
27 act, by license category, if applicable.

28 (j) The total amount collected from application fees or
29 established regulatory assessment and the specific fund the amount

1 is deposited into, by license category.

2 (k) The registered names and addresses of all facilities
3 licensed under each act, by license category and by county.

4 (l) The number of complaints received pertaining to each act,
5 by license type or regulatory activity.

6 (m) A description of the types of complaints received.

7 (n) A description of the process used to resolve complaints.

8 (o) The number of investigations opened pertaining to each
9 license category.

10 (p) The number of investigations closed pertaining to each
11 license category.

12 (q) The average amount of time to complete investigations
13 pertaining to each license category.

14 (r) The number of enforcement actions pertaining to each
15 license category.

16 (s) A description of the types of enforcement actions taken
17 against licensees.

18 (t) The number of administrative-hearing adjudications
19 pertaining to each license type.

20 (u) A list of the fees charged for license applications,
21 license renewals, and registry cards.

22 (v) The number of license holders with multiple types of
23 marihuana licenses, a list of the names of the licensees, and the
24 status of each of the licenses.

25 Sec. 602. From the funds appropriated in part 1, the cannabis
26 regulatory agency shall post on a publicly accessible website a
27 list of all of the following:

28 (a) The number of investigative reports that identify
29 violations of the Michigan Medical Marihuana Act, 2008 IL 1, MCL

1 333.26421 to 333.26430, the medical marihuana facilities licensing
2 act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan
3 Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951
4 to 333.27967, or violations of administrative rules promulgated
5 under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421
6 to 333.26430, the medical marihuana facilities licensing act, 2016
7 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and
8 Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

9 (b) The number of investigative reports that identify
10 suspected marihuana product that does not have the tracking numbers
11 assigned by the statewide monitoring system affixed, tagged, or
12 labeled as required by law.

13 (c) The number of complaints filed by the public with the
14 agency that concern either of the following:

15 (i) Marihuana product that does not have the tracking numbers
16 assigned by the statewide monitoring system affixed, tagged, or
17 labeled as required by law.

18 (ii) Unlicensed commercial production or sale of delta-8 THC.

19 (d) The number and outcome of all agency disciplinary
20 proceedings initiated against any licensee subject to the reports
21 or complaints in subdivisions (a), (b), and (c).

22 (e) The number of reports the agency referred to the
23 department of state police or other appropriate law enforcement
24 agency.

25 (f) For any licensee subject to disciplinary proceedings
26 initiated by the agency:

27 (i) Name of the licensee.

28 (ii) Description of the allegation.

29 (iii) Complaint type.

1 (iv) Process used to resolve the allegation.

2 (v) Name of the law enforcement agency the allegation was
3 referred to, including the date of the referral.

4 (vi) Current license status and whether or not the license was
5 revoked.

6 (g) The number of licenses revoked.

7 Sec. 603. (1) Not later than January 31, the department shall
8 submit a comprehensive report to the standard report recipients for
9 all hemp programs administered by the cannabis regulatory agency.
10 The report must include, but is not limited to, all of the
11 following:

12 (a) The total amount of fees collected by the cannabis
13 regulatory agency from regulatory and licensing activities related
14 to hemp and hemp processor-handlers.

15 (b) The total cost of administering hemp regulatory and
16 licensing programs.

17 (c) The total number of hemp processor-handlers and any other
18 hemp licensees licensed in this state, by county.

19 (d) A list and description of any fees that the cannabis
20 regulatory agency assesses on hemp licensees.

21 (2) Not later than January 31, the department shall submit a
22 comprehensive report to the standard report recipients for all hemp
23 programs administered by the cannabis regulatory agency. The report
24 must include, but is not limited to, all of the following:

25 (a) The total amount of fees collected by the cannabis
26 regulatory agency from regulatory and licensing activities related
27 to hemp and hemp processor-handlers.

28 (b) The total cost of administering hemp regulatory and
29 licensing programs.

1 (c) The total number of hemp processor-handlers and any other
2 hemp licensees licensed in this state, by county.

3 (d) A list and description of any fees that the cannabis
4 regulatory agency assesses on hemp licensees.

5 (e) The number of inspections conducted per year and the
6 result of each inspection.

7 (f) The number of hemp license applications and hemp license
8 approvals per year.

9 (g) The number of times the agency is contacted to destroy
10 hemp.

11
12 **COMMISSIONS**

13 Sec. 801. If Byrne formula grant funding is awarded to the
14 Michigan indigent defense commission created under section 5 of the
15 Michigan indigent defense commission act, 2013 PA 93, MCL 780.985,
16 the Michigan indigent defense commission may receive and expend
17 Byrne formula grant funds as an interdepartmental grant from the
18 department of state police. The Michigan indigent defense
19 commission may receive and expend federal grant funds from the
20 United States Department of Justice.

21 Sec. 802. From the funds appropriated in part 1, not later
22 than March 1, the Michigan indigent defense commission shall submit
23 a report to the standard report recipients on all of the following
24 information:

25 (a) The incremental costs associated with the standard
26 development process, the compliance plan process, and the
27 collection of data from all indigent defense systems and attorneys
28 providing indigent defense. The Michigan indigent defense
29 commission shall place particular emphasis on the costs that may be

1 avoided after standards are developed and compliance plans are in
2 place.

3 (b) A detailed explanation of the total cost calculation for
4 each indigent defense standard and juvenile indigent defense
5 standard for which grant recipients are receiving state grant
6 funding. This explanation must include a comprehensive itemization
7 of the types of costs included for each standard.

8 (c) An itemized listing of how much funding each grant
9 recipient is receiving for each indigent defense standard and
10 juvenile indigent defense standard.

11 (d) An explanation of the specific causal factors associated
12 with any increase or decrease of Michigan indigent defense
13 commission grant funding from the fiscal year 2023-2024 level.

14 Sec. 803. From the funds appropriated in part 1 for Michigan
15 indigent defense commission grants, the Michigan indigent defense
16 commission shall begin the statutory process of developing and
17 implementing minimum standards for youth defense services. This
18 process includes the planning and determining needs under the
19 Michigan indigent defense commission act, 2013 PA 93, MCL 780.981
20 to 780.1003.

21 Sec. 804. From the funds appropriated in part 1, the Michigan
22 indigent defense commission shall notify the standard report
23 recipients not more than 60 days after the adoption of any new
24 indigent defense standard. The notification must include an
25 estimated cost projection to fund the adopted indigent defense
26 standard for the initial and subsequent fiscal years.

27
28 **GRANTS**

29 Sec. 901. (1) From the funds appropriated in part 1 for

1 marihuana operation and oversight grants, the department shall
2 expend the funds for grants to counties for education and outreach
3 programs that relate to the Michigan medical marihuana program and
4 the adult-use marihuana program, in accordance with section 6(l) of
5 the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426, and
6 section 14 of the Michigan Regulation and Taxation of Marihuana
7 Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated
8 from application and license fees authorized under section 8(1)(b)
9 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL
10 1, MCL 333.27958. The grants must be distributed proportionately
11 based on the number of registry identification cards issued to or
12 renewed for the residents of each county that applied for a grant
13 under subsection (2). For the purposes of this subsection,
14 operation and oversight grants are for education, communication,
15 and outreach regarding the Michigan Medical Marihuana Act, 2008 IL
16 1, MCL 333.26421 to 333.26430, and the Michigan Regulation and
17 Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.
18 Grants provided under this section must not be used for law
19 enforcement purposes.

20 (2) Not later than December 1, the department shall post a
21 listing of potential grant funds available to each county on the
22 department's website. In addition, the department shall work
23 collaboratively with counties regarding the availability of the
24 grant funds. A county that requests grant funds shall apply on a
25 form developed by the department and available on the department's
26 website. The form must contain the county's specific projected plan
27 for use of the grant funds and its agreement to maintain all
28 records and to submit documentation to the department to support
29 the use of the grant funds.

1 (3) To be eligible to receive a grant under subsection (1), a
2 county shall apply not later than January 1 and submit a report to
3 the department not later than September 15 on how the grant was
4 expended. The department shall submit a report to the standard
5 report recipients not later than October 15 of the subsequent
6 fiscal year that details the grant amounts by recipient and the
7 reported uses of the grants in the previous fiscal year and details
8 the calculation for the amount for which each county was eligible.

9 Sec. 902. (1) The funds appropriated in part 1 for firefighter
10 training grants must be expended only for payments to counties to
11 reimburse organized fire departments for firefighter training and
12 other activities required under the firefighters training council
13 act, 1966 PA 291, MCL 29.361 to 29.377.

14 (2) If the funds appropriated in part 1 for firefighter
15 training grants are expended by the firefighters training council
16 created under section 3 of the firefighters training council act,
17 1966 PA 291, MCL 29.363, for payments to counties under section 14
18 of the firefighters training council act, 1966 PA 291, MCL 29.374,
19 all of the following apply to the extent otherwise permissible by
20 law:

21 (a) The funds appropriated in part 1 for firefighter training
22 grants must be allocated in accordance with section 14(2) of the
23 firefighters training council act, 1966 PA 291, MCL 29.374.

24 (b) If the funds allocated to any county under subdivision (a)
25 are less than \$5,000.00, the funds allocated to each county under
26 subdivision (a) must be adjusted to provide for a minimum payment
27 of \$5,000.00 to each county.

28 (3) Not later than February 1, the department shall submit a
29 financial report to the standard report recipients that identifies

1 all of the following information for the previous fiscal year:

2 (a) The amount of the payments that would be made to each
3 county if the distribution formula described in section 14(2) of
4 the firefighters training council act, 1966 PA 291, MCL 29.374,
5 would have been utilized to allocate the total amount appropriated
6 in part 1 for firefighter training grants.

7 (b) The amount of the payments approved by the firefighters
8 training council for allocation to each county.

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

11 (d) A description of any other payments or expenditures made
12 under the authority of the firefighters training council.

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

16
17 **ONE-TIME APPROPRIATIONS**

18 Sec. 1001. (1) From the funds appropriated in part 1 for
19 bureau of fire services - smoke detectors, the bureau of fire
20 services shall purchase and distribute sealed-battery smoke
21 detectors to the residents of this state. The bureau of fire
22 services may purchase smoke detectors with additional capabilities
23 for individuals with physical or psychological conditions that
24 require an accommodative technology.

25 (2) Not later than September 30, the department shall submit a
26 report to the standard report recipients that contains all of the
27 following information:

28 (a) The number of smoke detectors that the bureau of fire
29 services purchased.

1 (b) The per-unit price that the bureau paid for the smoke
2 detectors.

3 (c) An itemized list of all cities, villages, or townships
4 that received smoke detectors and the number of smoke detectors
5 distributed to each city, village, or township.

6 Sec. 1002. (1) From the funds appropriated in part 1 for the
7 cannabis regulatory agency social equity program, the cannabis
8 regulatory agency shall further develop the program established
9 under section 8(1)(j) of the Michigan Regulation and Taxation of
10 Marihuana Act, 2018 IL 1, MCL 333.27958, with all of the following
11 goals:

12 (a) To encourage and increase participation in the social
13 equity program, with particular focus to promote and encourage
14 participation in the marihuana industry by people from communities
15 that have been disproportionately impacted by marihuana prohibition
16 and enforcement.

17 (b) To establish a minimum number of licensees that are
18 participating in the social equity program.

19 (c) To consider the area median income of a community in
20 designating communities that have been disproportionately impacted
21 by marihuana prohibition and enforcement.

22 (2) The cannabis regulatory agency shall post on a publicly
23 accessible website a list of all of the following:

24 (a) The number of initial social equity program applications
25 received, deemed eligible, and deemed ineligible by license
26 category and reason the applicant was found ineligible.

27 (b) The number of social equity program initial applications
28 approved and the number of initial applications denied, by license
29 category.

1 (c) The average amount of time, from receipt to approval or
2 denial, to process an initial social equity program application, by
3 license category.

4 (d) The number of social equity education and outreach
5 sessions held per month.

6 (e) Social equity application assistance provided per month.

7 (f) Demographic information for social equity program
8 participants that includes the following information:

9 (i) Gender.

10 (ii) Age.

11 (iii) How long participant has been a resident of this state.

12 (iv) Highest level of education.

13 (v) Total household income.

14 (vi) Ethnicity.

15 (vii) How the participant learned about the social equity
16 program.

17 (g) A list of social equity program awardees.

18 Sec. 1003. From the funds appropriated in part 1 for Michigan
19 Saves, the Michigan public service commission may award a
20 \$1,000,000.00 grant to Michigan Saves to conduct a grant program
21 for clean energy improvement and on-site wastewater system
22 replacement or repair. Michigan Saves should grant funds to
23 individuals or small businesses within the state who have history
24 having difficulty obtaining traditional capital or households with
25 a combined income not exceeding 300% of the federal poverty level
26 and where businesses indicate a state of financial need or
27 vulnerability. The amount granted to a single individual or
28 business must not exceed \$100,000.00.

29 Sec. 1004. From the funds appropriated in part 1 for real

1 estate continuing education, the bureau of professional licensing
2 must expend the funds for grants to the Michigan Realtors
3 Association to approve and track real estate continuing education
4 in this state.