

EXECUTIVE REORGANIZATION ORDER

E.R.O. No. 2012-6

445.2034 Transfer of securities division of office of finance and insurance regulation from office of finance and insurance regulation to department of licensing and regulatory affairs; rescission of section II, A and C of Executive Order 2000-4.

WHEREAS, Section 1 of Article V of the Michigan Constitution of 1963 vests the executive power in the Governor; and

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

WHEREAS, Section 8 of Article V of the Michigan Constitution of 1963 provides that each principal department shall be under the supervision of the Governor, unless otherwise provided by the Constitution; and

WHEREAS, flexibility in organizational matters within a department is a key tool for maximizing administrative effectiveness and efficiency; and

WHEREAS, securities regulation has a differing scope and an independent legal basis from financial and insurance regulation;

NOW, THEREFORE, I, Richard D. Snyder, Governor of the state of Michigan, by virtue of the powers and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

I. OFFICE OF FINANCIAL AND INSURANCE REGULATION (OFIR)

A. The Securities Division of the Office of Finance and Insurance Regulation is transferred from the Office of Finance and Insurance Regulation to the Department of Licensing and Regulatory Affairs. All authority, powers, duties, functions, records, personnel, property, unexpended balances of appropriations, and allocations or other funds of the Security Division are transferred to the Department of Licensing and Regulatory Affairs.

B. The transfers under Section II., B., include but are not limited to any authority, powers, duties, functions and responsibilities of the Securities Division under the following:

1. Living Care Disclosure Act, 1976 PA 440, MCL 554.801 to MCL 554.844

2. Uniform Securities Act (2002), 2008 PA 551, MCL 451.2101 to MCL 451.2703

C. Any authority, powers, duties and functions relative to the final agency decisions for cases arising under the authorities transferred under Section II., A. of this order are transferred from the Office of Financial and Insurance Regulation to the Director of the Department of Licensing and Regulatory Affairs.

D. Any authority, powers, duties, functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and procurement, used, held, employed, available, or to be made available to the Office of Finance and Insurance Regulation for the activities, powers, duties, functions, and responsibilities transferred by this Order are transferred to the Department of Licensing and Regulatory Affairs.

E. The Director of the Department of Licensing and Regulatory Affairs, after consultation with the Office of Finance and Insurance Regulation, shall provide executive direction and supervision for the implementation of the transfers. The assigned functions shall be administered under the direction and supervision of the Director of the Department of Licensing and Regulatory Affairs.

II. IMPLEMENTATION OF TRANSFERS

A. The directors of the department and agency impacted by this Order shall immediately initiate coordination to facilitate the transfers and shall develop a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved.

B. The directors of the department and agency impacted by this Order shall administer the functions transferred in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities under this Order.

III. MISCELLANEOUS

A. All rules, orders, contracts, plans, and agreements relating to the functions transferred to the Department of Licensing and Regulatory Affairs by this Order lawfully adopted prior to the effective date of this Order by the responsible state agency shall continue to be effective until revised, amended, or rescinded.

B. Any suit, action, or other proceeding lawfully commenced by, against, or before any entity transferred to the

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

C. Section II, A. and C. of Executive Order 2000-4 are hereby rescinded.

D. The invalidity of any portion of this Order shall not affect the validity of the remainder of the Order, which may be given effect without any invalid portion. Any portion of this Order found invalid by a court or other entity with proper jurisdiction shall be severable from the remaining portions of this Order.

In fulfillment of the requirements of Section 2 of Article V of the Michigan Constitution of 1963, the Sections IX and X D. of this Order shall be effective 60 days after the filing of this Order.

History: 2012, E.R.O. No. 2012-6, Eff. Nov. 6, 2012

Compiler's Notes: Executive Reorganization Order No. 2012-6 was promulgated September 6, 2012 as Executive Order No. 2012-13, Eff. Nov. 6, 2012. For references to office of financial and insurance regulation to be deemed as department of insurance and financial services, and abolishment of office of financial and insurance regulation, see E.R.O. No. 2013-1, compiled at MCL 550.991. For references to commissioner of office of financial and insurance regulation to be deemed as references to director of department of insurance and financial services, and abolishment of office of commissioner of office of financial and insurance regulation, see E.R.O. No. 2013-1, compiled at MCL 550.991.