



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**DATE:** June 30, 2020

**TO:** Katie Wienczewski, Deidre O’Berry, and Katelyn Hoppes  
Administrative Rules Division  
Michigan Office of Administrative Hearings and Rules

**FROM:** Michigan Department of Treasury

**SUBJECT:** Department of Treasury Annual Regulatory Plan for July 1, 2020 – June 30, 2021

Pursuant to MCL 24.253, the Michigan Department of Treasury (Treasury) submits its Annual Regulatory Plan for July 1, 2020 through June 30, 2021.

**List of Bureaus and Commissions that Do Not Administer Rules**

Bureau of Budget & Information Technology Management

Bureau of Investments

Collections Services Bureau

Financial Review Commission

Michigan Infrastructure Council

Office of Accounting Services

Office of Legislative Affairs

Office of Privacy and Security

Office of Revenue and Tax Analysis

Tax Administration Services Bureau

Tax Compliance Bureau

The following 8 bureaus have completed their templates regarding contemplated or in-process action on administrative rules. Each template has been compiled into Treasury’s Plan.

Bureau of Local Government and School Services

Bureau of State and Authority Finance

Bureau of State Lottery

Bureau of Tax Policy

Michigan Gaming Control Board

Office of Departmental Services

Office of Financial Services

Office of Postsecondary Financial Planning

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Bureau of Local Government and School Services**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

None

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

None

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Bureau of Local Government and School Services has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

No rules have been identified that are most problematic to industry.

- A. Whether there is a continued need for the rules.

- B. A summary of any complaints or comments received from the public concerning the rules.

- C. The complexity of complying with the rules.

- D. Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

- E. The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

5. Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

6. Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

None.

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**Department of Treasury  
Bureau of State and Authority Finance**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

Amend School Bond Qualification, Approval, and Loan Rules: R 388.2, R 388.3, R 388.11, R 388.12 and R 388.13 to reduce duplication from the enabling statute, the School Bond Qualification, Approval, and Loan Act, MCL 388.1921 to 388.1939.

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

Rescind School Bond Qualification, Approval, and Loan Rules: R 388.6, R 388.10, and R 388.20 to reduce duplication from the enabling statute.

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Bureau of State and Authority Finance has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

None

A. Whether there is a continued need for the rules.

B. A summary of any complaints or comments received from the public concerning the rules.

C. The complexity of complying with the rules.

D. Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

E. The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

5. Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

6. Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

None

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Bureau of State Lottery**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

**Lottery Rules** – We are continuing the process of reviewing our rules and could potentially have changes during the July 1, 2020-June 30, 2021 period.

**Charitable Gaming Rules** - We are continuing the process of reviewing our rules and could potentially have changes during the July 1, 2020-June 30, 2021 period.

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

**Lottery Rules** – We are continuing the process of reviewing our rules and could potentially rescind certain rules during the July 1, 2020-June 30, 2021 period.

**Charitable Gaming Rules** – We are continuing the process of reviewing our rules and could potentially rescind certain rules during the July 1, 2020-June 30, 2021 period.

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, Lottery has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

**Lottery Rules** – We are not aware of any rules that are problematic to the industry.

**Charitable Gaming Rules** – We are not aware of any rules that are problematic to the industry.

A. Whether there is a continued need for the rules.

B. A summary of any complaints or comments received from the public concerning the rules.

C. The complexity of complying with the rules.

- D.** Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

- E.** The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

- 5.** Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

- 6.** Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

No specific items identified for action in the 2020 ARP remain outstanding.

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Bureau of Tax Policy**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

**MOAHR #2020-019 TY Specific Sales and Use Tax Rules**-R 205.51 through R 205.141: The amendment to R 205.127 will define the phrase “bottled water” by adopting the Streamlined Sales and Use Tax Agreement’s definition.

**Amendment of General and Specific Sales and Use Tax Rules**-R 205.1 through R 205.141: Review of all current General and Specific Sales and Use Tax Rules is finished and amendment and rescission of identified rules is near completion.

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

Review of all current General and Specific Sales and Use Tax Rules has resulted in the proposed rescission of all rules that are obsolete or superseded.

The remaining Cigarette Tax Rules-R 205.402, R 205.403, R 205.405, R 205.407, R 205.409, and R 205.416 are being reviewed for possible rescission.

Tobacco Products Tax Rule R 205.455 and Income Tax Rules R 206.1 and R 206.17 are being considered for rescission.

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Bureau of Tax Policy has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

No rules have been identified that are most problematic to industry.

- A. Whether there is a continued need for the rules.

- B. A summary of any complaints or comments received from the public concerning the rules.

- C. The complexity of complying with the rules.

**D.** Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

**E.** The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

**5.** Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

**6.** Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

**MOAHR #2019-052 TY Taxation of Adult-Use (Recreational) Marihuana Rules** and **MOAHR #2019-051 TY Specific Sales and Use Tax Rule R 205.141** on marihuana were filed with the Office of the Great Seal on February 6, 2020 and became effective immediately upon filing.

The remaining Cigarette Tax Rules-R 205.402, R 205.403, R 205.405, R 205.407, R 205.409, and R 205.416, the Tobacco Products Tax Rule R 205.455 and Income Tax Rules R 206.1 and R 206.17 are being considered for rescission.

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Michigan Gaming Control Board**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

<p><b>MOAHR #2020-038-TY Horse Racing General Rules</b></p> <p>Part 1. General Provisions - R 431.1010, R 431.1015, R 431.1020, R 431.1025, R 431.1030, R 431.1035, R 431.1045, R 431.1047, R 431.1060, R 431.1065, R 431.1070, R 431.1085, R 431.1095, R 431.1101, R 431.1105, R 431.1110, R 431.1115, R 431.1120, R 431.1125, R 431.1130, R 431.1140, R 431.1145, R 431.1150, R 431.1155, R 431.1160, R 431.1165, R 431.1175, R 431.1200, R 431.1205, R 431.1210, R 431.1215, R 431.1220, R 431.1230, R 431.1235, R 431.1240, R 431.1245, R 431.1250, R 431.1255, R 431.1260, R 431.1261, R 431.1265, R 431.1270, R 431.1275, R 431.1280, R 431.1295, R 431.1301, R 431.1302, R 431.1303, R 431.1304, R 431.1325, R 431.1330, R 431.1335, R 431.1340</p> <p>Part 2. Mutuels - 431.2001, R 431.2005, R 431.2010, R 431.2015, R 431.2020, R 431.2025, R 431.2030, R 431.2035, R 431.2036, R 431.2050, R 431.2055, R 431.2060, R 431.2070, R 431.2075, R 431.2090, R 431.2094, R 431.2096, R 431.2120</p> <p>Part 3. Thoroughbred Racing - R 431.3001, R 431.3005, R 431.3010, R 431.3020, R 431.3025, R 431.3030, R 431.3035, R 431.3045, R 431.3055, R 431.3060, R 431.3065, R 431.3070, R 431.3075, R 431.3080, R 431.3090, R 431.3095, R 431.3101, R 431.3105, R 431.3110, R 431.3115, R 431.3120, R 431.3125, R 431.3130, R 431.3140, R 431.3145, R 431.3155, R 431.3160, R 431.3165, R 431.3170, R 431.3175, R 431.3180, R 431.3201, R 431.3205, R 431.3210, R 431.3215, R 431.3220, R 431.3225, R 431.3230, R 431.3235, R 431.3040, R 431.3245, R 431.3250, R 431.3255, R 431.3260, R 431.3265, R 431.3270, R 431.3275, R 431.3290, R 431.3295, R 431.3301, R 431.3310</p> <p>Part 4. Harness Racing - R 431.4001, R 431.4005, R 431.4010, R 431.4015, R 431.4020, R 431.4025, R 431.4030, R 431.4035, R 431.4040, R 431.4045, R 431.4050, R 431.4055, R 431.4060, R 431.4070, R 431.4075, R 431.4080, R 431.4085, R 431.4090, R 431.4095, R 431.4100, R 431.4105, R 431.4110, R 431.4115, R 431.4125, R 431.4130, R 431.4135, R 431.4140, R 431.4145, R 431.4150, R 431.4155, R 431.4160, R 431.4165, R 431.4170, R 431.4175, R 431.4180, R 431.4185, R 431.4190, R 431.4195, R 431.4200, R 431.4210, R 431.4215, R 431.4220, R 431.4225, R 431.4230, R 431.4240, R 431.4255, R 431.4260, R 431.4265, R 431.4270, R 431.4275, R 431.4280, R 431.4285, R 431.4290</p> <p>Part 5. Account Wagering – R 431.5001, R 431.5005, R 431.5010, R 431.5015, R 431.5020, R 431.5025, R 431.5030, R 431.5035, R 431.5040</p> <p><b>MOAHR #2020-09 TY Internet Sports Betting</b> New rule set. Lawful Sports Betting Act (PA 149 of 2019)</p> <p><b>MOAHR #2020-10 TY Internet Gaming</b> New rule set.</p> <p><b>MOAHR #2020-11 TY Fantasy Contests</b> New rule set.</p>
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**Casino Gaming - R 432.1101 to R 432.11602**

Revise to address changes to the Gaming Control & Revenue Act.

**Millionaire Party – R 432.101 to R 432.410**

Revise to address changes to the Bingo Act.

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency or are otherwise strong candidates for rescission.

**MOAHR #2020-038-TY Horse Racing General Rules**

R 431.1050, R 431.1055, R 431.1075, R 431.1080, R 431.1090, R 431.1135, R 431.1180, R 431.1185, R 431.1190, R 431.1195, R 431.1285, R 431.1290, R 431.1999, R 431.2005, R 431.2040, R 431.2045, R 431.2061, R 431.2080, R 431.2095, R 431.2100, R 431.2105, R 431.2110, R 431.2115, R 431.3015, R 431.3050, R 431.3085, R 431.3240, R 432.4165, R 431.4205

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Gaming Control Board has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

None

- A. Whether there is a continued need for the rules.

N/A

- B. A summary of any complaints or comments received from the public concerning the rules.

N/A

- C. The complexity of complying with the rules.

N/A

- D. Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

N/A

- E. The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

N/A

5. Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

6. Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

Amendments to the Horse Racing General Rules (MOAHR #2020-038-TY, previously MOAHR #2019-050-TY) are in the promulgation process.

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Office of Departmental Services**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

None

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

None

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Office of Departmental Services has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

No rules have been identified that are most problematic to industry.

- A. Whether there is a continued need for the rules.

- B. A summary of any complaints or comments received from the public concerning the rules.

- C. The complexity of complying with the rules.

- D. Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

- E. The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

5. Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

6. Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

None

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Office of Financial Services**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

None

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

None

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Office of Financial Services has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

No rules have been identified that are most problematic to industry.

- A. Whether there is a continued need for the rules.

- B. A summary of any complaints or comments received from the public concerning the rules.

- C. The complexity of complying with the rules.

- D. Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

- E. The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

5. Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR)

provided on Treasury's internet website.

6. Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

None

Annual Regulatory Plan 2020-2021

**Department of Treasury  
Office of Postsecondary Financial Planning  
Student Scholarships and Grants Division**

1. Rule(s) to be **processed** between July 1, 2020 and June 30, 2021. [Give brief description.]

**2019-002 TY Michigan Competitive Scholarship Program Rules-R 390.1551 through R 390.1571**

The amendments to the rules will realign the rules with changes in the Competitive Scholarship Program and changes in technology.

**2019-047 TY Michigan Tuition Grants Program Rules-R 390.831 through R 390.849**

The amendments to the rules will realign the rules with changes in the Michigan Tuition Grants Program.

**Children of Veterans Tuition Grant Program Rules-R 390.1901 through R 390.1908**

The amendments to the rules will realign the rules with changes in the Children of Veterans Tuition Grant Program.

2. Rules that are obsolete or superseded and can be **rescinded** between July 1, 2020 and June 30, 2021. Also, please identify the rules or rule sets that are least important to the mission and function of the agency, or are otherwise strong candidates for rescission.

**2019-002 TY Michigan Competitive Scholarship Program Rules**

The proposed action on this ruleset includes the rescission of R 390.1571.

3. Has the agency failed to promulgate any statutorily required rules **or** failed to utilize any statutorily required rules? Please explain.

No, the Office of Postsecondary Financial Planning, Student Scholarships and Grants Division has not failed to promulgate any statutorily required rules or failed to utilize any statutorily required rules.

4. Please indicate the rules that are most problematic to industry and could be reviewed to determine the most business-friendly method of regulation.

No rules problematic to the industry have been identified.

- A. Whether there is a continued need for the rules.

Yes, these rules clarify statutes.

- B. A summary of any complaints or comments received from the public concerning the rules.

Since the 2020 ARP, no complaints regarding the three (3) identified rulesets have been received.

- C. The complexity of complying with the rules.

None

**D.** Whether the rules conflict with or duplicate similar rules or regulations adopted by the federal government or local units of government.

No similar federal or local unit of government rules or regulations exist.

**E.** The date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed regulatory activity covered by the rules.

The recent evaluation of the rules has resulted in the proposed amendments to the three (3) identified rulesets described in item 1.

**5.** Please provide the URL link the department or bureau is currently using to display their administrative rules.

Direct link to the Michigan Office of Administrative Hearings and Rules (MOAHR) provided on Treasury's internet website.

**6.** Please provide a list of the items identified for action in the 2020 ARP that have been completed and those that remain outstanding.

**2019-002 TY Michigan Competitive Scholarship Program Rules**

Work on the Regulatory Impact Statement is in process.

**2019-047 TY Michigan Tuition Grants Program Rules**

Work on the Regulatory Impact Statement is in process.

**Children of Veterans Tuition Grant Program Rules**

Request for Rulemaking will be submitted early next month, July 2020.

These rulesets are "companions" in that similar amendments have been made to each because of the Executive Reorganization Order that gave the Higher Education Assistance Authority's powers to the Department of Treasury. It is expected that all three rulesets will be part of one public hearing.