

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5644

A bill to make appropriations for the department of consumer and industry services and certain other state purposes for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. The amounts listed in this part are appropriated for the
4 department of consumer and industry services, subject to the conditions
5 set forth in this act, for the fiscal year ending September 30, 2003,

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1 from the funds identified in this part. The following is a summary of
2 the appropriations in this part:

3 **DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES**

4 APPROPRIATION SUMMARY:

5	Full-time equated unclassified positions.....	63.5	
6	Full-time equated classified positions.....	3,948.9	
7	GROSS APPROPRIATION.....		\$ 570,713,000
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....		111,100
11	ADJUSTED GROSS APPROPRIATION.....		\$ 570,601,900
12	Federal revenues:		
13	Total federal revenues.....		242,311,500
14	Special revenue funds:		
15	Total local revenues.....		0
16	Total private revenues.....		770,000
17	Total other state restricted revenues.....		289,532,600
18	State general fund/general purpose.....		\$ 37,987,800
19	Sec. 102. EXECUTIVE DIRECTION		
20	Full-time equated unclassified positions.....	63.5	
21	Full-time equated classified positions.....	90.0	
22	Unclassified salaries.....		\$ 5,615,700
23	Executive director programs--11.0 FTE positions.....		1,766,900
24	Policy development--13.0 FTE positions.....		1,649,800
25	Utility consumer representation.....		550,000
26	Regulatory efficiency improvements/backlog reduction		
27	initiative.....		750,000

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1	MES board of review program--21.0 FTE positions.....	1,773,900
2	Bureau of hearings--35.0 FTE positions.....	3,556,200
3	Energy office--10.0 FTE positions.....	<u>2,655,600</u>
4	GROSS APPROPRIATION..... \$	18,318,100
5	Appropriated from:	
6	Federal revenues:	
7	DOE-OEERE, multiple grants.....	2,179,100
8	DOL-ETA, unemployment insurance.....	2,325,300
9	DOL, multiple grants for safety and health.....	160,300
10	Special revenue funds:	
11	Private - oil overcharge.....	30,000
12	Bank fees.....	139,500
13	Boiler fees.....	33,500
14	Construction code fund.....	442,000
15	Consumer finance fees.....	49,700
16	Corporation fees.....	1,902,000
17	Credit union fees.....	96,600
18	Elevator fees.....	37,400
19	Fees and collections/asbestos.....	11,100
20	Health professions regulatory fund.....	1,297,800
21	Health systems fees and collections.....	69,300
22	Insurance regulatory fees.....	559,300
23	Licensing and regulation fees.....	682,800
24	Liquor license fees.....	100,000
25	Liquor purchase revolving fund.....	1,526,700
26	Manufactured housing commission fees.....	144,300

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1	Michigan state housing development authority fees and		
2	charges.....		428,000
3	Motor carrier fees.....		37,000
4	Public utility assessments.....		1,212,000
5	Safety education and training fund.....		241,200
6	Second injury fund.....		80,900
7	Securities fees.....		1,768,400
8	Self-insurers security fund.....		20,400
9	Silocosis and dust disease fund.....		30,000
10	Tax tribunal fees.....		1,100
11	Utility consumer representation fund.....		550,000
12	Worker's compensation administrative revolving fund..		89,400
13	State general fund/general purpose.....	\$	2,073,000
14	Sec. 103. FIRE SAFETY		
15	Full-time equated classified positions.....	60.0	
16	Office of fire safety--60.0 FTE positions.....	\$	<u>4,808,300</u>
17	GROSS APPROPRIATION.....	\$	4,808,300
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from department of community health, inspection		
21	contract.....		111,100
22	Federal revenues:		
23	Federal funds.....		872,300
24	Special revenue funds:		
25	Fire alarm regulation fees.....		91,600
26	Fire services fees.....		2,134,800

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1	State general fund/general purpose.....	\$	1,598,500
2	Sec. 104. MANAGEMENT SERVICES		
3	Full-time equated classified positions.....		84.0
4	Administrative services--84.0 FTE positions.....	\$	5,907,100
5	Rent.....		7,061,400
6	Building occupancy charges - property development		
7	services.....		9,117,300
8	Worker's compensation.....		1,148,000
9	Special project advances.....		<u>740,000</u>
10	GROSS APPROPRIATION.....	\$	23,973,800
11	Appropriated from:		
12	Federal revenues:		
13	DOL-ETA, unemployment insurance.....		387,600
14	DOL, multiple grants for safety and health.....		640,400
15	Federal funds.....		469,700
16	HHS, federal funds.....		57,000
17	Special revenue funds:		
18	Private - special project advances.....		740,000
19	Bank fees.....		450,000
20	Boiler fee revenue.....		198,200
21	Construction code fund.....		1,031,800
22	Consumer finance fees.....		166,300
23	Corporation fees.....		2,253,600
24	Credit union fees.....		332,100
25	Elevator fees.....		209,100
26	Fees and collections/asbestos.....		61,500

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1	Fire service fees.....	62,000
2	Health professions regulatory fund.....	985,200
3	Health systems fees and collections.....	356,700
4	Insurance regulatory fees.....	786,900
5	Licensing and regulation fees.....	663,600
6	Licensing fees.....	7,700
7	Liquor purchase revolving fund.....	4,085,900
8	Manufactured housing commission fees.....	264,700
9	Michigan state housing development authority fees and	
10	charges.....	3,536,500
11	Motor carrier fees.....	174,300
12	Public utility assessments.....	1,400,200
13	Safety education and training fund.....	475,500
14	Second injury fund.....	185,900
15	Securities fees.....	1,470,600
16	Self-insurers security fund.....	50,800
17	Silicosis and dust disease fund.....	75,000
18	Tax tribunal fees.....	33,800
19	Worker's compensation administrative revolving fund..	710,600
20	State general fund/general purpose..... \$	1,650,600
21	Sec. 105. OFFICE OF FINANCIAL AND INSURANCE SERVICES	
22	Full-time equated classified positions.....279.0	
23	Administration--14.0 FTE positions..... \$	2,583,300
24	Policy conduct and consumer assistance--120.0 FTE	
25	positions.....	12,158,900
26	Financial evaluation--145.0 FTE positions.....	<u>16,892,100</u>

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1	GROSS APPROPRIATION.....	\$	31,634,300
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds.....		50,400
5	Special revenue funds:		
6	Bank fees.....		6,151,000
7	Consumer finance fees.....		3,102,000
8	Credit union fees.....		4,303,100
9	Insurance continuing education fees.....		700,900
10	Insurance licensing and regulation fees.....		3,112,000
11	Insurance regulatory fees.....		11,523,100
12	Multiple employer welfare arrangement.....		65,700
13	Securities fees.....		2,626,100
14	State general fund/general purpose.....	\$	0
15	Sec. 106. PUBLIC SERVICE COMMISSION		
16	Full-time equated classified positions.....	148.0	
17	Administration, planning and regulation--	148.0 FTE	
18	positions.....		\$ 16,691,900
19	Low-income/energy efficiency assistance.....		<u>60,000,000</u>
20	GROSS APPROPRIATION.....	\$	76,691,900
21	Appropriated from:		
22	Federal revenues:		
23	DOE-OEERE, multiple grants.....		149,000
24	DOT-RSPA, gas pipeline safety.....		287,000
25	Special revenue funds:		
26	Motor carrier fees.....		1,856,600

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1	Public utility assessments.....	14,399,300
2	Low-income and energy efficiency fund.....	60,000,000
3	State general fund/general purpose..... \$	0
4	Sec. 107. LIQUOR CONTROL COMMISSION	
5	Full-time equated classified positions.....179.0	
6	Management support services--39.0 FTE positions..... \$	2,709,300
7	Liquor licensing and enforcement--140.0 FTE positions	10,985,700
8	Liquor law enforcement grants.....	6,000,000
9	Grant to department of agriculture, wine industry	
10	council.....	<u>457,200</u>
11	GROSS APPROPRIATION..... \$	20,152,200
12	Appropriated from:	
13	Special revenue funds:	
14	Liquor license revenue.....	11,086,200
15	Liquor purchase revolving fund.....	8,608,800
16	Nonretail liquor license revenue.....	457,200
17	State general fund/general purpose..... \$	0
18	Sec. 108. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
19	Full-time equated classified positions.....226.0	
20	Payments on behalf of tenants..... \$	78,000,000
21	Housing and rental assistance program--226.0 FTE	
22	positions.....	23,345,900
23	Homeless program.....	<u>5,290,800</u>
24	GROSS APPROPRIATION..... \$	106,636,700
25	Appropriated from:	
26	Federal revenues:	

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1	HUD, lower income housing assistance program.....		92,574,900
2	Special revenue funds:		
3	Michigan state housing development authority fees and		
4	charges.....		14,061,800
5	State general fund/general purpose.....	\$	0
6	Sec. 109. TAX TRIBUNAL		
7	Full-time equated classified positions.....13.0		
8	Operations--13.0 FTE positions.....	\$	<u>1,353,200</u>
9	GROSS APPROPRIATION.....	\$	1,353,200
10	Appropriated from:		
11	Special revenue funds:		
12	Tax tribunal fees.....		641,600
13	State general fund/general purpose.....	\$	711,600
14	Sec. 110. GRANTS		
15	Fire protection grants.....	\$	<u>7,421,000</u>
16	GROSS APPROPRIATION.....	\$	7,421,000
17	Appropriated from:		
18	Special revenue funds:		
19	Liquor purchase revolving fund.....		7,421,000
20	State general fund/general purpose.....	\$	0
21	Sec. 111. HEALTH REGULATORY SYSTEMS		
22	Full-time equated classified positions.....342.0		
23	Health systems administration--179.0 FTE positions... \$		17,253,300
24	Emergency medical services program state staff--7.0		
25	FTE positions.....		904,700
26	Radiological health administration and projects--24.0		
27	FTE positions.....		2,025,800

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1	Substance abuse program administration--4.0 FTE		
2	positions.....		409,600
3	Emergency medical services grants and contracts.....		1,062,100
4	Health services--128.0 FTE positions.....		<u>14,245,200</u>
5	GROSS APPROPRIATION.....	\$	35,900,700
6	Appropriated from:		
7	Federal revenues:		
8	Federal funds.....		13,001,100
9	Special revenue funds:		
10	Pain management education and controlled substances,		
11	electronic monitoring and antidiversion fund.....		1,362,300
12	Health professions regulatory fund.....		11,189,000
13	Health systems fees and collections.....		3,870,100
14	Nurse professional fund.....		823,100
15	State general fund/general purpose.....	\$	5,655,100
16	Sec. 112. REGULATORY SERVICES		
17	Full-time equated classified positions.....		306.0
18	AFC, children's welfare and day care licensure--		306.0
19	FTE positions.....	\$	<u>26,034,700</u>
20	GROSS APPROPRIATION.....	\$	26,034,700
21	Appropriated from:		
22	Federal revenues:		
23	HHS, federal funds.....		10,664,800
24	Special revenue funds:		
25	Health systems fees and collections.....		94,200
26	Licensing fees.....		490,500

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1	State general fund/general purpose.....	\$	14,785,200
2	Sec. 113. OCCUPATIONAL REGULATION		
3	Full-time equated classified positions.....	345.0	
4	Commissions and boards.....	\$	49,700
5	Code enforcement--98.0 FTE positions.....		7,902,000
6	Code enforcement flexibility.....		1,141,900
7	Boiler inspection program--24.0 FTE positions.....		2,201,800
8	Elevator inspection program--26.0 FTE positions.....		2,287,000
9	Commercial services--159.0 FTE positions.....		13,994,800
10	Local manufactured housing communities inspections...		250,000
11	Manufactured housing and land resources program--26.0		
12	FTE positions.....		2,635,000
13	Property development group--12.0 FTE positions.....		1,338,700
14	Remonumentation grants.....		<u>6,000,000</u>
15	GROSS APPROPRIATION.....	\$	37,800,900
16	Appropriated from:		
17	Special revenue funds:		
18	Boiler fee revenue.....		2,350,600
19	Construction code fund.....		9,433,500
20	Corporation fees.....		4,837,100
21	Elevator fees.....		2,396,400
22	Homeowner construction lien recovery fund.....		1,532,800
23	Licensing and regulation fees.....		7,844,500
24	Limited liability partnership revenue.....		10,000
25	Manufactured housing commission fees.....		2,276,900
26	Property development fees.....		241,300

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1	Remonumentation fees.....	6,605,300
2	Real estate appraiser continuing education fund.....	45,000
3	Real estate education fund.....	217,500
4	State general fund/general purpose..... \$	10,000
5	Sec. 114. EMPLOYMENT RELATIONS	
6	Full-time equated classified positions.....28.0	
7	Fact finding and arbitration..... \$	144,300
8	Employment and labor relations--28.0 FTE positions...	<u>2,944,000</u>
9	GROSS APPROPRIATION..... \$	3,088,300
10	Appropriated from:	
11	Federal revenues:	
12	EEOC, federal funds.....	10,000
13	State general fund/general purpose..... \$	3,078,300
14	Sec. 115. SAFETY AND REGULATION	
15	Full-time equated classified positions.....240.0	
16	Commissions and boards..... \$	21,400
17	Subgrantees.....	1,226,900
18	Occupational safety and health--240.0 FTE positions..	<u>21,357,500</u>
19	GROSS APPROPRIATION..... \$	22,605,800
20	Appropriated from:	
21	Federal revenues:	
22	DOL, multiple grants for safety and health.....	10,377,200
23	Special revenue funds:	
24	Fees and collections/asbestos.....	704,300
25	Safety education and training fund.....	6,690,900
26	State general fund/general purpose..... \$	4,833,400

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1	Sec. 116. BUREAU OF WORKER'S AND UNEMPLOYMENT COMPENSATION	
2	Full-time equated classified positions.....	1,608.9
3	Administration--118.0 FTE positions.....	\$ 8,530,100
4	Appellate commission administration--11.4 FTE	
5	positions.....	889,900
6	Board of magistrates administration--8.0 FTE	
7	positions.....	1,916,900
8	Employment standards enforcement--38.0 FTE positions.	2,621,900
9	Insurance funds administration--32.0 FTE positions...	5,500,800
10	Supplemental benefit fund.....	1,300,000
11	Grant to department of career development, hire the	
12	handicapped program.....	50,000
13	Worker's compensation.....	589,000
14	Rent.....	5,915,100
15	Building occupancy charges - property development	
16	service.....	4,245,500
17	Unemployment programs--1,324.2 FTE positions.....	88,421,300
18	Advocacy assistance program--8.0 FTE positions.....	1,500,000
19	Special audit and collections program--34.0 FTE	
20	positions.....	2,245,900
21	Training program for agency staff--2.1 FTE positions.	1,756,400
22	Expanded fraud control program--33.2 FTE positions...	<u>2,566,200</u>
23	GROSS APPROPRIATION.....	\$ 128,049,000
24	Appropriated from:	
25	Federal revenues:	
26	DOL-ETA, employment and training administration.....	529,200

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1	DOL, unemployment insurance.....	92,887,900
2	Federal Reed act funds.....	4,233,500
3	Special revenue funds:	
4	Corporation fees.....	361,000
5	Contingent fund, penalty and interest account.....	19,388,400
6	Second injury fund.....	3,321,500
7	Securities fees.....	360,900
8	Self-insurers security fund.....	886,500
9	Silicosis and dust disease fund.....	1,342,800
10	Worker's compensation administrative revolving fund..	2,115,400
11	State general fund/general purpose..... \$	2,621,900
12	Sec. 117. INFORMATION TECHNOLOGY	
13	Information technology services and projects..... \$	<u>26,244,200</u>
14	GROSS APPROPRIATION..... \$	26,244,200
15	Appropriated from:	
16	Federal revenues:	
17	DOL-ETA, unemployment insurance.....	10,360,300
18	DOL, multiple grants for safety and health.....	38,000
19	Federal funds.....	56,500
20	Special revenue funds:	
21	Bank fees.....	223,800
22	Boiler fee revenue.....	94,300
23	Construction code fund.....	724,600
24	Consumer finance fees.....	85,800
25	Contingent fund, penalty and interest account.....	122,800
26	Corporation fees.....	1,598,400

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1	Credit union fees.....	157,900
2	Elevator fees.....	89,800
3	Fees and collections/asbestos.....	17,500
4	Health professions regulatory fund.....	484,800
5	Health systems fees and collections.....	244,500
6	Insurance regulatory fees.....	471,700
7	Licensing and regulation fees.....	979,700
8	Liquor purchase revolving fund.....	4,270,300
9	Manufactured housing commission fees.....	47,500
10	Michigan state housing development authority fees and	
11	charges.....	1,182,400
12	Motor carrier fees.....	164,700
13	Public utility assessments.....	1,092,200
14	Safety education and training fund.....	178,200
15	Second injury fund.....	215,300
16	Securities fees.....	1,337,200
17	Self-insurers security fund.....	76,800
18	Silicosis and dust disease fund.....	99,600
19	Worker's compensation administrative revolving fund..	859,300
20	State general fund/general purpose..... \$	970,300
21	Sec. 118. EARLY RETIREMENT SAVINGS	
22	Early retirement savings..... \$	_____
	<u>(100)</u>	
23	GROSS APPROPRIATION..... \$	
	(100)	
24	Appropriated from:	
25	State general fund/general purpose..... \$	
	(100)	
26		
27		

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1 PART 2

2 PROVISIONS CONCERNING APPROPRIATIONS

3 GENERAL SECTIONS

4 Sec. 201. Pursuant to section 30 of article IX of the state consti-
5 tution of 1963, total state spending from state resources under part 1
6 for fiscal year 2002-2003 is \$327,520,400.00 and state spending from
7 state resources to be paid to local units of government for fiscal year
8 2002-2003 is \$19,921,000.00. The itemized statement below identifies
9 appropriations from which spending to units of local government will
10 occur:

11 DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

12	Fire protection grants.....	\$	7,421,000
13	Liquor law enforcement.....		6,000,000
14	Local manufactured housing inspections.....		250,000
15	Remonumentation grants.....		6,000,000
16	Subgrantees.....		<u>250,000</u>
17	Total department of consumer and industry services... \$		19,921,000

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

20 Sec. 203. As used in this appropriation act:

21 (a) "AFC" means adult foster care.

22 (b) "Department" means the department of consumer and industry
23 services.

24 (c) "DOE" means the United States department of energy.

25 (d) "DOE-OEERE" means the DOE office of energy efficiency and
26 renewable energy.

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- 1 (e) "DOL" means the United States department of labor.
- 2 (f) "DOL-ETA" means the DOL employment and training administration.
- 3 (g) "DOT" means the United States department of transportation.
- 4 (h) "DOT-RSPA" means the DOT research and special programs
5 administration.
- 6 (i) "EEOC" means equal employment opportunity commission.
- 7 (j) "Fiscal agencies" means Michigan house fiscal agency and
8 Michigan senate fiscal agency.
- 9 (k) "FTE" means full-time equated.
- 10 (l) "HHS" means the United States department of health and human
11 services.
- 12 (m) "HUD" means the United States department of housing and urban
13 development.
- 14 (n) "IDG" means interdepartmental grant.
- 15 (o) "MES" means Michigan employment security.
- 16 (p) "Subcommittees" means all members of the subcommittees of the
17 house and senate appropriations committees with jurisdiction over the
18 budget for the department.
- 19 Sec. 204. The department of civil service shall bill departments
20 and agencies at the end of the first fiscal quarter for the 1% charge
21 authorized by section 5 of article XI of the state constitution of 1963.
22 Payments shall be made for the total amount of the billing by the end of
23 the second fiscal quarter.
- 24 Sec. 205. (1) A hiring freeze is imposed on the state classified
25 civil service. State departments and agencies are prohibited from hiring
26 any new full-time state classified civil service employees and prohibited
27 from filling any vacant state classified civil service positions. This

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1 hiring freeze does not apply to internal transfers of classified
2 employees from 1 position to another within a department.

3 (2) The state budget director shall grant exceptions to this hiring
4 freeze when the state budget director believes that the hiring freeze
5 will result in rendering a state department or agency unable to deliver
6 basic services, cause a loss of revenue to the state, result in the
7 inability of the state to receive federal funds, or would necessitate
8 additional expenditures that exceed any savings from maintaining a
9 vacancy. The state budget director shall report quarterly to the chair-
10 persons of the senate and house of representatives standing committees on
11 appropriations the number of exceptions to the hiring freeze approved
12 during the previous month and the reasons to justify the exception.

13 Sec. 206. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$23,500,000.00 for federal
15 contingency funds. These funds are not available for expenditure until
16 they have been transferred to another line item in this act pursuant to
17 section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (2) In addition to the funds appropriated in part 1, there is appro-
20 priated an amount not to exceed \$12,200,000.00 for state restricted con-
21 tingency funds. These funds are not available for expenditure until they
22 have been transferred to another line item in this act pursuant to sec-
23 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

24 (3) In addition to the funds appropriated in part 1, there is appro-
25 priated an amount not to exceed \$180,800.00 for local contingency funds.
26 These funds are not available for expenditure until they have been

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1 transferred to another line item in this act pursuant to section 393(2)
2 of the management and budget act, 1984 PA 431, MCL 18.1393.

3 (4) In addition to the funds appropriated in part 1, there is appro-
4 priated an amount not to exceed \$50,000.00 for private contingency
5 funds. These funds are not available for expenditure until they have
6 been transferred to another line item in this act pursuant to section
7 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

8 Sec. 207. At least 60 days before beginning any effort to privat-
9 ize, the department shall submit a complete project plan to the subcom-
10 mittees and the fiscal agencies. The plan shall include the criteria
11 under which the privatization initiative will be evaluated. The evalu-
12 ation shall be completed and submitted to the fiscal agencies and to the
13 subcommittees within 30 months.

14 Sec. 208. Unless otherwise specified, the department shall use the
15 Internet to fulfill the reporting requirements of this act. This may
16 include transmission of reports via electronic mail to the recipients
17 identified for each reporting requirement or it may include placement of
18 reports on the Internet or Intranet site. Quarterly, the department
19 shall provide to the subcommittees, state budget office, and the fiscal
20 agencies an electronic and paper copy listing of the reports submitted
21 during the most recent 3-month period along with the Internet or Intranet
22 site of each report, if any.

23 Sec. 209. Funds appropriated in part 1 shall not be used for the
24 purchase of foreign goods or services, or both, if competitively priced
25 and of comparable quality American goods or services, or both, are
26 available.

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1 Sec. 210. The director of each department receiving appropriations
2 in part 1 shall take all reasonable steps to ensure businesses in
3 deprived and depressed communities compete for and perform contracts to
4 provide services or supplies, or both. Each director shall strongly
5 encourage firms with which the department contracts to subcontract with
6 certified businesses in depressed and deprived communities for services,
7 supplies, or both.

8 Sec. 211. The department shall establish and maintain affirmative
9 action programs based on guidelines developed by the state equal opportu-
10 nity workforce planning council which was created by Executive Order
11 No. 1996-13 in order to receive general fund/general purpose dollars.

12 Sec. 212. The departments and state agencies receiving appropria-
13 tions under this act shall receive and retain copies of all reports
14 funded from appropriations in part 1. These departments and state agen-
15 cies shall follow federal and state guidelines for short-term and
16 long-term retention of these reports and records.

17 Sec. 259. From the funds appropriated in part 1 for information
18 technology, the department shall pay user fees to the department of
19 information technology for technology related services and projects.
20 Such user fees shall be subject to provisions of an interagency agreement
21 between the department and the department of information technology.

22 Sec. 260. Amounts appropriated in part 1 for information technology
23 may be designated as work projects and carried forward to support tech-
24 nology projects under the direction of the department of information
25 technology. Funds designated in this manner are not available for expen-
26 diture until approved as work projects under section 451a of the
27 management and budget act, 1984 PA 431, MCL 18.1451a.

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1 Sec. 261. The negative appropriation in part 1 for early retirement
2 savings represents savings from the state's 2002 early retirement
3 program. Not later than November 15, 2002, the state budget director
4 shall request legislative transfers under section 393(2) of the manage-
5 ment and budget act, 1984 PA 431, MCL 18.1393, to apply the early retire-
6 ment savings to the appropriated line items affected by the early retire-
7 ment program.

8 **DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES**

9 Sec. 301. The appropriation in part 1 for fire protection grants
10 from the liquor purchase revolving fund shall be appropriated to cities,
11 villages, and townships with state-owned facilities for fire services,
12 instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to
13 141.956.

14 Sec. 302. The funds collected by the office of financial and insur-
15 ance services in connection with a conservatorship pursuant to section 32
16 of the mortgage brokers, lenders, and servicers licensing act, 1987
17 PA 173, MCL 445.1682, shall be appropriated for all expenses necessary to
18 provide for the required services. Funds are available for expenditure
19 when they are received by the department of treasury and shall not lapse
20 to the general fund at the end of the fiscal year.

21 Sec. 303. The funds collected by the department from corporations
22 being liquidated pursuant to the insurance code of 1956, 1956 PA 218,
23 MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary
24 to provide for the required services. Funds are available for

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1 expenditure when they are received by the department of treasury and
2 shall not lapse to the general fund at the end of the fiscal year.

3 Sec. 304. The department may make available to interested entities
4 otherwise unavailable customized listings of nonconfidential information
5 in its possession, such as names and addresses of licensees, and charge
6 for this information as follows: base fee for 1 to 1,000 records at the
7 cost to the department; 1,001 to 10,000 records at 2.5 cents per record;
8 and 10,001 or more records at .5 cents per record. The revenue received
9 from this service may be used to offset expenses of programs as appropri-
10 ated in part 1. The balance of this revenue collected and unexpended at
11 the end of the fiscal year shall revert to the appropriate restricted
12 revenue account or fund or, in absence of such an account or fund, to the
13 general fund. The department shall submit an annual report on or before
14 December 1 of each year to the state budget office and the subcommittees
15 that states the amount of revenue received from the sale of information.

16 Sec. 305. The appropriation in part 1 may be used for per diem pay-
17 ments to the members of commissions or boards for a full day of committee
18 work at which a quorum is present or for performing official business as
19 authorized by each respective commission or board. The per diem payments
20 shall be \$50.00 per day.

21 Sec. 306. The Michigan state housing development authority shall
22 annually present a report to the state budget office and the subcommit-
23 tees on the status of the authority's housing production goals under all
24 financing programs established or administered by the authority. The
25 report shall give special attention to efforts to raise affordable multi-
26 family housing production goals.

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1 Sec. 307. The department shall assess and collect fees in the
2 licensing and regulation of child care organizations as defined in 1973
3 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as
4 defined in the adult foster care facility licensing act, 1979 PA 218,
5 MCL 400.701 to 400.737. Fees collected by the department shall be used
6 exclusively for the purpose of licensing and regulating child care organ-
7 izations and adult foster care facilities.

8 Sec. 308. The funds collected by the department for licenses, per-
9 mits, and other elevator regulation fees set forth in R 408.8151 of the
10 Michigan administrative code and as determined under section 8 of 1976
11 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that
12 are unexpended at the end of the fiscal year shall carry forward to the
13 subsequent fiscal year. The department shall submit a report on an
14 annual basis to the state budget office and the subcommittees on the
15 amount of funds available under this section.

16 Sec. 309. If the revenue collected by the department for occupa-
17 tional safety and health, health systems administration, or radiological
18 health administration and projects from fees and collections exceeds the
19 amount appropriated in part 1, the revenue may be carried forward into
20 the subsequent fiscal year. The revenue carried forward under this sec-
21 tion shall be used as the first source of funds in the subsequent fiscal
22 year.

23 Sec. 310. Money appropriated under this act for fire safety pro-
24 grams shall not be expended unless, in accordance with section 2c of the
25 fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review
26 fees will be charged according to the following schedule:

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1 Operation and maintenance inspection fee

2	<u>Facility type</u>	<u>Facility</u>	<u>Fee</u>
3		<u>size</u>	
4	Hospitals	Any	\$8.00 per bed
5	<u>Plan review and construction inspection fees for hospitals and schools</u>		

6	<u>Project cost range</u>	<u>Fee</u>
7	\$101,000.00 or less	minimum fee of \$155.00
8	\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
9	\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
10	\$10,000,001.00 or more	\$1.10 per \$1,000.00
11		or a maximum fee of \$60,000.00.

12
13 Sec. 311. The department shall furnish the clerk of the house, the
14 secretary of the senate, the state budget office, and all members of the
15 house and senate appropriations committees with a summary of any evalu-
16 ation reports and subsequent approvals or disapprovals of juvenile resi-
17 dential facilities operated by the family independence agency, as
18 required by section 6 of 1973 PA 116, MCL 722.116. If no evaluations are
19 conducted during the fiscal year, the department shall notify the fiscal
20 agencies and all members of the appropriate subcommittees of the house
21 and senate appropriation committees.

22 Sec. 312. (1) From the amount appropriated in part 1 to health sys-
23 tems administration, the department shall provide funding for not less
24 than 113 inspectors to annually survey and investigate the care and serv-
25 ices delivered in nursing homes, county medical care facilities, and hos-
26 pital long-term care units in accordance with provisions in the public
27 health code, 1978 PA 368, MCL 333.1101 to 333.25211, and federal Medicare
28 and Medicaid certification standards.

29 (2) The department, in keeping with the severity of the allegations,
30 shall investigate complaints alleging poor care and services occurring on
31 nights or weekends in nursing homes, county medical care facilities, and

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1 hospital long-term care units by conducting on-site investigations on
2 nights or weekends.

3 Sec. 313. If the revenue collected by the department from licensing
4 and regulation fees exceeds the amount appropriated in part 1, the reve-
5 nue may be carried forward into the subsequent fiscal year. The revenue
6 carried forward under this section shall be used as the first source of
7 funds in the subsequent fiscal year.

8 Sec. 314. Funds earned or authorized by the United States depart-
9 ment of labor in excess of the gross appropriation in part 1 for the
10 Michigan unemployment agency from the United States department of labor
11 are appropriated and may be expended for staffing and related expenses
12 incurred in the operation of its programs. These funds may be spent
13 after the department notifies the state budget office and the subcommit-
14 tees of the purpose and amount of each grant award.

15 Sec. 315. The department shall sell documents at a price not to
16 exceed the cost of production and distribution. Money received from the
17 sale of these documents shall revert to the department. The funds are
18 available for expenditure when they are received by the department of
19 treasury and may only be used for costs directly related to the continued
20 updating and distribution of the documents pursuant to this section.
21 This section applies only for the following documents:

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

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

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

3 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301 to
4 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to
5 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to
6 450.3192; and the uniform securities act, 1964 PA 265, MCL 451.501 to
7 451.818.

8 (e) Labor law books.

9 (f) Worker's compensation health care services rules.

10 (g) Minimum design standards for health care facilities.

11 (h) Construction code manuals.

12 (i) Copies of transcripts from administrative law hearings.

13 Sec. 316. The department shall report to the state budget office,
14 the fiscal agencies, and the subcommittees on April 30, 2003 and October
15 31, 2003 on the initial and follow-up surveys conducted on all nursing
16 homes in this state. The report shall include all of the following
17 information:

18 (a) The number of surveys conducted.

19 (b) The number requiring follow-up surveys.

20 (c) The number referred to the Michigan public health institute for
21 remediation.

22 (d) The number of citations per home.

23 (e) The number of night and weekend complaints filed.

24 (f) The number of night and weekend responses to complaints con-
25 ducted by the department.

26 (g) The average length of time for the department to respond to a
27 complaint filed against a nursing home.

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1 (h) The number and percentage of citations appealed.

2 (i) The number and percentage of citations overturned and/or
3 modified.

4 Sec. 317. The department, bureau of safety and regulation, shall
5 provide an annual report by February 1 of each year to the state budget
6 office, the fiscal agencies, and the subcommittees on the number of indi-
7 viduals killed and the number of individuals injured on the job within
8 industries regulated by the bureau during the preceding calendar year.

9 Sec. 318. The department shall report by November 1, 2002 to the
10 state budget office, the legislature, and the fiscal agencies the status
11 of the nursing home complaint investigation backlog.

12 Sec. 319. As a condition for receiving the general fund/general
13 purpose appropriations in part 1 for health systems administration, the
14 department shall provide assistance to any person making an oral request
15 for a nursing home investigation in putting his or her request into writ-
16 ing, shall initiate investigations on all written nursing home complaints
17 filed with the department within 15 days of receipt of the complaint, and
18 shall provide a written response to the complainant within 30 days of
19 receipt of the written complaint.

20 Sec. 320. The unemployment agency, during its transition to the
21 remote initial claims system, may operate a sufficient number of unem-
22 ployment agency offices, including itinerant or satellite offices, within
23 Michigan's Upper Peninsula to ensure that the citizens of the Upper
24 Peninsula can access these offices without excessive travel or, in cases
25 where unemployment claims are filed or renewed by phone, without exces-
26 sive long-distance toll charges.

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1 Sec. 321. The department shall continue to work with grantees
2 supported through the appropriation in part 1 for emergency medical
3 services grants and contracts to ensure that a sufficient number of qual-
4 ified emergency medical services personnel exist to serve rural areas of
5 the state.

6 Sec. 322. From the funds appropriated in part 1 for utility con-
7 sumer representation, the department shall produce and facilitate the
8 airing of public service announcements that inform utility customers of
9 the availability and purpose of these funds. The utility consumer par-
10 ticipation board shall report to the subcommittees, fiscal agencies, and
11 state budget office by September 30, 2003 on its efforts in this area,
12 including the amount of expenditures made for this purpose.

13 Sec. 323. (1) The department in consultation with nursing home pro-
14 vider groups, the department of community health, the state long-term
15 care ombudsman, and the federal health care finance administration shall
16 continue to work to clarify the following terms as those terms are used
17 in title XVIII and title XIX and applied by the department to provide
18 more consistent regulation of nursing homes in Michigan:

19 (a) Immediate jeopardy.

20 (b) Harm.

21 (c) Potential harm.

22 (d) Avoidable.

23 (e) Unavoidable.

24 (2) The department shall semiannually provide for joint training
25 with nursing home surveyors and providers on at least 1 of the 10 most
26 frequently issued federal citations in this state during the past
27 calendar year. The department shall provide a mechanism to measure the

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1 effect of the training and shall report to the legislature and the state
2 budget office on the effect of the training by January 15, 2003.

3 Sec. 324. The unemployment agency shall work collaboratively with
4 the department of career development to ensure each 1-stop center has the
5 ability to assist individuals or respond to inquiries regarding unemploy-
6 ment benefits and the remote initial claims system.

7 Sec. 325. (1) The department shall post on the Internet the execu-
8 tive summary of the latest inspection for each licensed nursing home.

9 (2) The department shall work toward posting inspection summaries
10 for licensed day care centers on the Internet.

11 Sec. 326. From the appropriations in part 1 for occupational safety
12 and health, the department shall provide funding for at least 76 general
13 industry safety inspectors, construction industry safety inspectors, and
14 industrial hygienists. The department shall submit a report to the sub-
15 committees, fiscal agencies, and state budget office by February 15, 2003
16 on the staffing levels for these categories. No budgetary savings shall
17 be taken from the funding for inspection staffing.

18 Sec. 327. When hiring any new nursing home inspectors funded
19 through appropriations in part 1, the department shall make every effort
20 to hire individuals with past experience in the long-term care industry.

21 Sec. 328. It is the intent of this legislature that beginning
22 January 1, 2004, the board of psychology shall require a licensee seeking
23 renewal of a license to furnish the board with satisfactory evidence that
24 during the 2 years before application for renewal the licensee has
25 attended continuing education courses or programs approved by the board
26 totaling not less than 36 credits. The applicant shall be responsible
27 for maintaining records of continuing education attendance. The board is

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1 authorized to request verification of continuing education records at the
2 time of renewal of application. Verification may be conducted periodi-
3 cally by sample or by means other than reviewing every application.

4 Sec. 329. The department shall work to promote the nursing scholar-
5 ship program funded from appropriations in part 1 to health services.
6 The department shall focus its promotional efforts on recruiting under-
7 graduate students into the nursing field in order to address the current
8 nursing shortage. The department shall also make every effort to utilize
9 scholarship funds in a manner which encourages undergraduate students to
10 enter the nursing field.

11 Sec. 330. (1) The unemployment agency shall include in the remote
12 initial claims center (RICCS) automated phone system a choice to speak
13 with an employee of the unemployment agency as an option. This option
14 should be provided in the system as early as possible as deemed appropri-
15 ate in the system design. The department shall monitor the system to
16 ensure compliance with these guidelines.

17 (2) The unemployment agency should continue to provide training
18 opportunities to employees affected with the implementation of the
19 RICCS.

20 Sec. 331. Nursing facilities shall report in the quarterly staff
21 report to the department, the total patient care hours provided each
22 month, by state licensure and certification classification, and the per-
23 centage of pool staff, by state licensure and certification classifica-
24 tion, used each month during the preceding quarter. The department shall
25 make available to the public, the quarterly staff report compiled for all
26 facilities including the total patient care hours and the percentage of
27 pool staff used, by classification.

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1 Sec. 332. It is the intent of the legislature that the department
2 make every effort to hold administrative law hearings on actions initi-
3 ated by the department against regulated businesses or against individu-
4 als in regulated occupations in locations that are within 150 miles of
5 the regulated business or of the office of the individual in a regulated
6 occupation. In addition, it is the intent of the legislature that the
7 department make every effort to hold administrative law hearings on
8 actions initiated by an individual outside the department in locations
9 within 150 miles of the home of the individual bringing the action if
10 that individual wishes to testify at the hearing.

11 Sec. 333. The department shall work cooperatively with the depart-
12 ment of civil service to identify state employees who will lose their
13 jobs as a result of an agency program being reorganized, modified, or
14 eliminated and shall develop training programs and provide training to
15 these individuals that will provide them with the opportunity and skills
16 necessary to secure new employment within the state government or the
17 private sector. It shall be a priority of the department to provide
18 training and employment opportunities to these displaced state employees
19 through Michigan's employment service locations.

20 Sec. 334. From the funds appropriated in part 1 for adult foster
21 care, children's welfare, and day care licensure, the department shall
22 make every effort to maintain a day care facility to day care inspector
23 ratio of no more than 210 to 1.

24 Sec. 335. (1) The public service commission shall report by June 1
25 of each year to the subcommittees, the state budget office, and the
26 fiscal agencies on the distribution of funds appropriated in part 1 for
27 the low-income/energy efficiency assistance program.

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1 (2) Of the funds appropriated in part 1 for low-income/energy
2 efficiency assistance, \$3,000,000.00 shall be allocated to community
3 action agencies across the state to support shut-off protection programs
4 for low-income individuals. Funds shall be distributed to the community
5 action agencies no later than November 1 of each year. The community
6 action agencies shall abide by any reporting and monitoring requirements
7 imposed by the public service commission on other grant recipients
8 receiving funding through this program.

9 (3) From the appropriation in part 1 for the low income/energy effi-
10 ciency fund, the department and the public service commission shall pro-
11 vide up to \$15,000,000.00 to reduce or eliminate past due balances of any
12 work first client in full compliance. This program will be coordinated
13 with the family independence agency to use existing bill payment adminis-
14 trative programs.

15 Sec. 336. The department shall provide the subcommittees, fiscal
16 agencies, and state budget director with a report on or before December
17 1, 2002 outlining actual expenditures for the last completed fiscal year
18 for each division within the office of financial and insurance services.

19 Sec. 337. The department shall work cooperatively with the family
20 independence agency and with representatives from the Michigan federation
21 of private child and family agencies to form a licensing and contract
22 compliance review team pilot to coordinate and conduct joint reviews of 1
23 child placing agency and 1 child caring institution between October 1,
24 2002 and February 1, 2003. The Michigan federation of private child and
25 family agencies will survey team participants and involved agencies
26 regarding the process and provide feedback to the department. The

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1 department shall report during the annual budget presentation to the
2 subcommittees regarding pilot outcomes.

3 Sec. 338. Of the funds appropriated in part 1 for health services,
4 \$125,000.00 shall be allocated to the center for nursing to conduct
5 research that will address nurse workforce planning, the supply of and
6 demand for nurses, and nurse recruitment and retention issues. The
7 center for nursing shall recommend ways to address the shortage of
8 nurses.

9 Sec. 339. From the amount appropriated in part 1 for administration
10 of the bureau of worker's and unemployment compensation, the department
11 shall provide funding for worker's compensation mediators positions
12 annually.