

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4573

A bill to amend 1969 PA 306, entitled
"Administrative procedures act of 1969,"
by amending sections 3 and 39 (MCL 24.203 and 24.239), section 3 as
amended by 1988 PA 277 and section 39 as amended by 2004 PA 23.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Adoption of a rule" means that step in the
2 processing of a rule consisting of the formal action of an agency
3 establishing a rule before its promulgation.

4 (2) "Agency" means a state department, bureau, division,
5 section, board, commission, trustee, authority or officer, created
6 by the constitution, statute, or agency action. Agency does not
7 include an agency in the legislative or judicial branch of state
8 government, the governor, an agency having direct governing control
9 over an institution of higher education, the state civil service

1 commission, or an association of insurers created under the
 2 insurance code of 1956, ~~Act No. 218 of the Public Acts of 1956,~~
 3 ~~being sections 500.100 to 500.8302 of the Michigan Compiled Laws~~
 4 **1956 PA 218, MCL 500.100 TO 500.8302**, or other association or
 5 facility formed under ~~Act No. 218 of the Public Acts of 1956~~ **THAT**
 6 **ACT** as a nonprofit organization of insurer members.

7 (3) "Contested case" means a proceeding, including rate-
 8 making, price-fixing, and licensing, in which a determination of
 9 the legal rights, duties, or privileges of a named party is
 10 required by law to be made by an agency after an opportunity for an
 11 evidentiary hearing. When a hearing is held before an agency and an
 12 appeal from its decision is taken to another agency, the hearing
 13 and the appeal are ~~deemed to be~~ **CONSIDERED** a continuous proceeding
 14 as though before a single agency.

15 (4) "Committee" means the joint committee on administrative
 16 rules.

17 (5) "Court" means the circuit court.

18 (6) **"DECISION RECORD" MEANS, IN REGARD TO A REQUEST FOR RULE-**
 19 **MAKING WHERE AN AGENCY RECEIVES RECOMMENDATIONS OR COMMENTS BY AN**
 20 **ADVISORY COMMITTEE OR OTHER ADVISORY ENTITY CREATED BY STATUTE,**
 21 **BOTH OF THE FOLLOWING:**

22 (A) **THE MINUTES OF ALL MEETINGS RELATED TO THE REQUEST FOR**
 23 **RULE-MAKING.**

24 (B) **THE VOTES OF MEMBERS.**

25 (7) ~~(6)~~ "Guideline" means an agency statement or declaration
 26 of policy ~~which~~ **THAT** the agency intends to follow, ~~which~~ **THAT** does
 27 not have the force or effect of law, and ~~which~~ **THAT** binds the

1 agency but does not bind any other person.

2 Sec. 39. (1) Before initiating any changes or additions to
3 rules, an agency shall electronically file with the office of
4 regulatory ~~reform~~**REINVENTION** a request for rule-making in a format
5 prescribed by the office of regulatory ~~reform~~**REINVENTION**. The
6 request for rule-making shall include the following:

7 (a) The state or federal statutory or regulatory basis for the
8 rule.

9 (b) The problem the rule intends to address.

10 (c) An assessment of the significance of the problem.

11 (D) **IF APPLICABLE, THE DECISION RECORD.**

12 **(2) IF AN AGENCY RECEIVES RECOMMENDATIONS OR COMMENTS BY ANY**
13 **ADVISORY COMMITTEE OR OTHER ADVISORY ENTITY CREATED BY STATUTE**
14 **REGARDING A REQUEST FOR RULE-MAKING, THE ADVISORY COMMITTEE OR**
15 **ENTITY SHALL ISSUE TO THE AGENCY A DECISION RECORD.**

16 (3) ~~(2)~~An agency shall not proceed with the processing of a
17 rule outlined in this chapter unless the office of regulatory
18 ~~reform~~**REINVENTION** has approved the request for rule-making. **THE**
19 **OFFICE OF REGULATORY REINVENTION IS NOT REQUIRED TO APPROVE A**
20 **REQUEST FOR RULE-MAKING AND SHALL DO SO ONLY AFTER IT HAS INDICATED**
21 **IN ITS RESPONSE TO THE REQUEST FOR RULE-MAKING SUBMITTED BY AN**
22 **AGENCY THAT THERE ARE APPROPRIATE AND NECESSARY POLICY AND LEGAL**
23 **BASES FOR APPROVING THE REQUEST FOR RULE-MAKING.**

24 (4) ~~(3)~~The office of regulatory ~~reform~~**REINVENTION** shall
25 record the receipt of all requests for rule-making on the internet
26 and shall make electronic or paper copies of approved requests for
27 rule-making available to members of the general public. ~~upon~~

1 ~~request.~~ THE OFFICE OF REGULATORY REINVENTION SHALL ISSUE A WRITTEN
2 OR ELECTRONIC RESPONSE TO THE REQUEST FOR RULE-MAKING THAT
3 SPECIFICALLY ADDRESSES WHETHER THE REQUEST HAS APPROPRIATE AND
4 NECESSARY POLICY AND LEGAL BASES FOR APPROVING THE REQUEST FOR
5 RULE-MAKING.

6 (5) ~~(4)~~ The office of regulatory ~~reform~~ REINVENTION shall
7 immediately make available to the committee electronic copies of
8 the request for rule-making submitted to the office of regulatory
9 ~~reform~~ REINVENTION. On a weekly basis, the office of regulatory
10 ~~reform~~ REINVENTION shall electronically provide to the committee a
11 listing of all requests for rule-making approved or denied during
12 the previous week. The committee shall electronically provide a
13 copy of the approved and denied requests for rule-making, not later
14 than the next business day after receipt of the notice from the
15 office of regulatory ~~reform~~ REINVENTION, to members of the
16 committee and to members of the standing committees of the senate
17 and house of representatives that deal with the subject matter of
18 the proposed rule.