

**SUBSTITUTE FOR
HOUSE BILL NO. 4404**

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2022; to provide for certain conditions on appropriations; to establish certain fees in connection with certain appropriations; 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, 2022, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY



1	Full-time equated unclassified positions	25.0	
2	Full-time equated classified positions	1,811.9	
3	GROSS APPROPRIATION		\$ 90,563,700
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and		
6	intradepartmental transfers		11,269,900
7	ADJUSTED GROSS APPROPRIATION		\$ 79,293,800
8	Federal revenues:		
9	Total federal revenues		7,533,000
10	Special revenue funds:		
11	Total local revenues		0
12	Total private revenues		0
13	Total other state restricted revenues		64,630,300
14	State general fund/general purpose		\$ 7,130,500
15	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
16	SUPPORT		
17	Full-time equated unclassified positions	25.0	
18	Full-time equated classified positions	100.0	
19	Unclassified salaries--FTEs	25.0	\$ 474,900
20	Administrative services--FTEs	73.0	2,148,700
21	Executive director programs--FTEs	24.0	721,700
22	FOIA coordination--FTEs	3.0	82,500
23	Property management		1,849,200
24	Worker's compensation		31,200
25	GROSS APPROPRIATION		\$ 5,308,200
26	Appropriated from:		
27	Interdepartmental grant revenues:		
28	IDG from DIFS, accounting services		37,500



1	Federal revenues:	
2	EPA, underground storage tanks	7,600
3	HHS-Medicaid, certification of health care	
4	providers and suppliers	102,800
5	HHS-Medicare, certification of health care	
6	providers and suppliers	149,900
7	Special revenue funds:	
8	Aboveground storage tank fees	22,800
9	Accountancy enforcement fund	14,300
10	Boiler inspection fund	69,600
11	Builder enforcement fund	24,300
12	Construction code fund	190,000
13	Corporation fees	1,052,500
14	Elevator fees	74,400
15	Fire alarm fees	1,800
16	Fire safety standard and enforcement fund	500
17	Fire service fees	107,700
18	Fireworks safety fund	14,500
19	Health professions regulatory fund	413,700
20	Health systems fees	57,900
21	Licensing and regulation fund	237,400
22	Liquor license revenue	68,900
23	Liquor purchase revolving fund	735,000
24	Marihuana registry fund	198,300
25	Marihuana regulation fund	97,400
26	Marihuana regulatory fund	155,800
27	Michigan unarmed combat fund	1,500
28	Mobile home code fund	67,700



1	Nurse professional fund		9,700
2	PMECSEMA fund		11,600
3	Property development fees		1,800
4	Public utility assessments		718,200
5	Real estate appraiser education fund		700
6	Real estate education fund		2,800
7	Real estate enforcement fund		2,900
8	Refined petroleum fund		41,500
9	Restructuring mechanism assessments		7,900
10	Securities fees		397,400
11	Securities investor education and training fund		2,300
12	Security business fund		1,700
13	Survey and remonumentation fund		23,100
14	Tax tribunal fund		163,400
15	Utility consumer representation fund		13,500
16	State general fund/general purpose	\$	5,900
17	Sec. 103. PUBLIC SERVICE COMMISSION		
18	Full-time equated classified positions	188.0	
19	Public service commission--FTEs	188.0 \$	8,303,800
20	GROSS APPROPRIATION	\$	8,303,800
21	Appropriated from:		
22	Federal revenues:		
23	DOT, gas pipeline safety		656,500
24	Special revenue funds:		
25	Public utility assessments		7,504,900
26	Restructuring mechanism assessments		142,400
27	State general fund/general purpose	\$	0
28	Sec. 104. LIQUOR CONTROL COMMISSION		



1	Full-time equated classified positions	145.0		
2	Liquor licensing and enforcement--FTEs	116.0	\$	4,123,000
3	Management support services--FTEs	29.0		1,168,800
4	GROSS APPROPRIATION		\$	5,291,800
5	Appropriated from:			
6	Special revenue funds:			
7	Direct shipper enforcement revolving fund			75,500
8	Liquor control enforcement and license			
9	investigation revolving fund			43,800
10	Liquor license fee enhancement fund			19,100
11	Liquor license revenue			1,951,600
12	Liquor purchase revolving fund			3,201,800
13	State general fund/general purpose		\$	0
14	Sec. 105. OCCUPATIONAL REGULATION			
15	Full-time equated classified positions	1,166.9		
16	Adult foster care and camps licensing and			
17	regulation--FTEs	96.0	\$	3,355,800
18	Bureau of community and health systems			
19	administration--FTEs	20.0		597,500
20	Bureau of construction codes--FTEs	182.0		5,970,600
21	Bureau of fire services--FTEs	79.0		3,138,800
22	Bureau of professional licensing--FTEs	205.0		10,141,200
23	Childcare licensing and regulation--FTEs	117.0		5,057,800
24	Corporations, securities, and commercial			
25	licensing bureau--FTEs	109.0		3,801,100
26	Health facilities regulation--FTEs	192.9		7,763,700
27	Marihuana treatment research			5,000,000



1	Medical marihuana facilities licensing and		
2	tracking--FTEs	99.0	2,910,400
3	Medical marihuana program--FTEs	25.0	1,285,400
4	Nurse aide program--FTEs	8.0	438,900
5	Recreational marihuana regulation--FTEs	34.0	1,838,000
6	Urban search and rescue		600,000
7	GROSS APPROPRIATION	\$	51,899,200
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from MDE, child care licensing		4,932,300
11	Federal revenues:		
12	DHS, fire training systems		132,000
13	DOT, hazardous materials training and planning		5,000
14	EPA, underground storage tanks		199,800
15	HHS-Medicaid, certification of health care		
16	providers and suppliers		2,192,000
17	HHS-Medicare, certification of health care		
18	providers and suppliers		3,540,400
19	Special revenue funds:		
20	Aboveground storage tank fees		57,300
21	Accountancy enforcement fund		194,500
22	Adult foster care facilities licenses fund		102,900
23	Boiler inspection fund		857,400
24	Builder enforcement fund		161,000
25	Child care home and center licenses fund		125,400
26	Construction code fund		2,346,000
27	Corporation fees		1,926,300
28	Division on deafness fund		23,400



1	Elevator fees	1,099,100
2	Fire alarm fees	33,300
3	Fire safety standard and enforcement fund	10,200
4	Fire service fees	661,900
5	Fireworks safety fund	308,500
6	Health professions regulatory fund	6,323,400
7	Health systems fees	980,600
8	Licensing and regulation fund	3,148,200
9	Liquor purchase revolving fund	37,200
10	Marihuana registry fund	1,285,400
11	Marihuana regulation fund	6,837,900
12	Marihuana regulatory fund	3,035,400
13	Mobile home code fund	521,500
14	Nurse aide registration fund	149,400
15	Nurse professional fund	491,700
16	Nursing home administrative penalties	25,000
17	PMECSEMA fund	472,400
18	Property development fees	48,200
19	Real estate appraiser education fund	16,400
20	Real estate education fund	86,700
21	Real estate enforcement fund	138,600
22	Refined petroleum fund	661,900
23	Securities fees	1,372,800
24	Securities investor education and training fund	123,300
25	Security business fund	59,100
26	Survey and remonumentation fund	220,600
27	State general fund/general purpose	\$ 6,954,800



1	Sec. 106. MICHIGAN OFFICE OF ADMINISTRATIVE		
2	HEARINGS AND RULES		
3	Full-time equated classified positions	212.0	
4	Michigan office of administrative hearings and		
5	rules--FTEs	212.0	\$ 9,309,100
6	GROSS APPROPRIATION		\$ 9,309,100
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG revenues - administrative hearings and		
10	rules		6,300,100
11	Special revenue funds:		
12	Construction code fund		6,700
13	Corporation fees		1,068,200
14	Health professions regulatory fund		102,100
15	Health systems fees		40,400
16	Licensing and regulation fund		221,000
17	Liquor purchase revolving fund		177,400
18	Marihuana regulation fund		25,000
19	Marihuana regulatory fund		63,000
20	Public utility assessments		664,300
21	Securities fees		259,200
22	Tax tribunal fund		211,900
23	State general fund/general purpose		\$ 169,800
24	Sec. 107. COMMISSIONS		
25	Michigan unarmed combat commission		\$ 31,600
26	GROSS APPROPRIATION		\$ 31,600
27	Appropriated from:		
28	Special revenue funds:		



1	Michigan unarmed combat fund	31,600
2	State general fund/general purpose	\$ 0
3	Sec. 108. GRANTS	
4	Firefighter training grants	\$ 575,000
5	Liquor law enforcement grants	2,100,000
6	Medical marihuana operation and oversight	
7	grants	750,000
8	Remonumentation grants	1,700,000
9	Utility consumer representation	187,500
10	GROSS APPROPRIATION	\$ 5,312,500
11	Appropriated from:	
12	Special revenue funds:	
13	Fireworks safety fund	575,000
14	Liquor license revenue	2,100,000
15	Marihuana registry fund	750,000
16	Survey and remonumentation fund	1,700,000
17	Utility consumer representation fund	187,500
18	State general fund/general purpose	\$ 0
19	Sec. 109. INFORMATION TECHNOLOGY	
20	Information technology services and projects	\$ 4,832,500
21	GROSS APPROPRIATION	\$ 4,832,500
22	Appropriated from:	
23	Federal revenues:	
24	DOT, gas pipeline safety	11,300
25	EPA, underground storage tanks	25,100
26	HHS-Medicaid, certification of health care	
27	providers and suppliers	89,600



1	HHS-Medicare, certification of health care	
2	providers and suppliers	146,000
3	Special revenue funds:	
4	Aboveground storage tank fees	8,700
5	Accountancy enforcement fund	300
6	Boiler inspection fund	79,700
7	Construction code fund	307,100
8	Corporation fees	1,359,200
9	Elevator fees	119,200
10	Fire safety standard and enforcement fund	800
11	Fire service fees	129,800
12	Fireworks safety fund	11,800
13	Health professions regulatory fund	451,500
14	Health systems fees	74,600
15	Licensing and regulation fund	275,400
16	Liquor purchase revolving fund	843,600
17	Marihuana registry fund	111,800
18	Marihuana regulation fund	67,700
19	Marihuana regulatory fund	183,000
20	Michigan unarmed combat fund	1,700
21	Mobile home code fund	42,900
22	PMECSEMA fund	9,700
23	Public utility assessments	309,400
24	Real estate appraiser education fund	300
25	Real estate education fund	500
26	Refined petroleum fund	42,700
27	Restructuring mechanism assessments	7,000
28	Securities fees	57,400



1	Securities investor education and training fund		300
2	Survey and remonumentation fund		18,500
3	Tax tribunal fund		45,900
4	State general fund/general purpose	\$	0
5	Sec. 110. ONE-TIME APPROPRIATIONS		
6	Nursing facility infection control surveys	\$	275,000
7	GROSS APPROPRIATION	\$	275,000
8	Appropriated from:		
9	Federal revenues:		
10	Coronavirus state fiscal recovery fund		275,000
11	State general fund/general purpose	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2021-2022

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2021-2022 is \$71,760,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is \$5,125,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

25	DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS		
26	Firefighter training grants	\$	575,000
27	Liquor law enforcement grants		2,100,000



1	Medical marihuana operation and oversight	
2	grants	750,000
3	Remonumentation grants	1,700,000
4	TOTAL	\$ 5,125,000

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

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

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

12 (b) "DHS" means the United States Department of Homeland
13 Security.

14 (c) "DIFS" means the department of insurance and financial
15 services.

16 (d) "Director" means the director of the department.

17 (e) "DOT" means the United States Department of
18 Transportation.

19 (f) "EPA" means the United States Environmental Protection
20 Agency.

21 (g) "FOIA" means the freedom of information act, 1976 PA 442,
22 MCL 15.231 to 15.246.

23 (h) "FTE" means full-time equated.

24 (i) "HHS" means the United States Department of Health and
25 Human Services.

26 (j) "IDG" means interdepartmental grant.

27 (k) "MDE" means the Michigan department of education.

28 (l) "PMECSEMA" means pain management education and controlled
29 substances electronic monitoring and antidiversion.



1 (m) "Subcommittees" means the subcommittees of the house and
2 senate appropriations committees with jurisdiction over the budget
3 for the department.

4 Sec. 204. The department shall use the internet to fulfill the
5 reporting requirements of this part. This requirement shall include
6 transmission of reports via email to the recipients identified for
7 each reporting requirement and it shall include placement of
8 reports on an internet site.

9 Sec. 205. To the extent permissible under section 261 of the
10 management and budget act, 1984 PA 431, MCL 18.1261, all of the
11 following apply:

12 (a) Funds appropriated in part 1 shall not be used for the
13 purchase of foreign goods or services, or both, if competitively
14 priced and of comparable quality American goods or services, or
15 both, are available.

16 (b) Preference shall be given to goods or services, or both,
17 manufactured or provided by Michigan businesses, if they are
18 competitively priced and of comparable quality.

19 (c) In addition, preference should be given to goods or
20 services, or both, that are manufactured or provided by Michigan
21 businesses owned and operated by veterans, if they are
22 competitively priced and of comparable quality.

23 Sec. 206. The department shall not take disciplinary action
24 against an employee of the department or departmental agency in the
25 state classified civil service because the employee communicates
26 with a member of the legislature or his or her staff, unless the
27 communication is prohibited by law and the department or agency
28 taking disciplinary action is exercising its authority as provided
29 by law.



1 Sec. 207. (1) Out-of-state travel shall be limited to
2 situations when travel is approved by a departmental employee's
3 immediate supervisor and in which 1 or more of the following
4 conditions apply:

5 (a) The travel is required by legal mandate or court order or
6 for law enforcement purposes.

7 (b) The travel is necessary to protect the health or safety of
8 Michigan citizens or visitors or to assist other states in similar
9 circumstances.

10 (c) The travel is necessary to produce budgetary savings or to
11 increase state revenues, including protecting existing federal
12 funds or securing additional federal funds.

13 (d) The travel is necessary to comply with federal
14 requirements.

15 (e) The travel is necessary to secure specialized training for
16 staff that is not available within this state.

17 (f) The travel is financed entirely by federal or nonstate
18 funds.

19 (2) The department shall not approve the travel of more than 1
20 departmental employee to a specific professional development
21 conference or training seminar that is located outside of this
22 state unless a professional development conference or training
23 seminar is funded by a federal or private funding source and
24 requires more than 1 individual from the department to attend, or
25 the conference or training seminar includes multiple issues in
26 which 1 employee from the department does not have expertise.

27 (3) Not later than January 1, the department shall prepare a
28 travel report listing all travel by classified and unclassified
29 employees outside this state in the immediately preceding fiscal



1 year that was funded in whole or in part with funds appropriated in
2 the department's budget. The report shall be submitted to the house
3 and senate appropriations committees, the senate and house fiscal
4 agencies, and the state budget director. The report shall include
5 all of the following information:

6 (a) The name of each person receiving reimbursement for travel
7 outside this state or whose travel costs were paid by this state.

8 (b) The destination of each travel occurrence.

9 (c) The dates of each travel occurrence.

10 (d) A brief statement of the reason for each travel
11 occurrence.

12 (e) The transportation and related costs of each travel
13 occurrence, including the proportion funded with state general
14 fund/general purpose revenues, the proportion funded with state
15 restricted revenues, the proportion funded with federal revenues,
16 and the proportion funded with other revenues.

17 (f) A total of all out-of-state travel funded for the
18 immediately preceding fiscal year.

19 Sec. 208. Funds appropriated in part 1 shall not be used by
20 the department to hire a person to provide legal services that are
21 the responsibility of the attorney general. This prohibition does
22 not apply to legal services for bonding activities and for those
23 outside services that the attorney general authorizes.

24 Sec. 209. Not later than November 30, the state budget office
25 shall prepare and transmit a report that provides for estimates of
26 the total general fund/general purpose appropriation lapses at the
27 close of the prior fiscal year. This report shall summarize the
28 projected year-end general fund/general purpose appropriation
29 lapses by major departmental program or program areas. The report



1 shall be transmitted to the chairpersons of the senate and house
2 appropriations committees and the senate and house fiscal agencies.

3 Sec. 210. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$1,000,000.00 for
5 federal contingency authorization. These funds are not available
6 for expenditure until they have been transferred to another line
7 item in part 1 under section 393(2) of the management and budget
8 act, 1984 PA 431, MCL 18.1393.

9 (2) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$1,500,000.00 for state
11 restricted contingency authorization. These funds are not available
12 for expenditure until they have been transferred to another line
13 item in part 1 under section 393(2) of the management and budget
14 act, 1984 PA 431, MCL 18.1393.

15 (3) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$200,000.00 for local
17 contingency authorization. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 (4) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$100,000.00 for private
23 contingency authorization. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

27 Sec. 211. The department shall cooperate with the department
28 of technology, management, and budget to maintain a searchable
29 website accessible by the public at no cost that includes, but is



1 not limited to, all of the following for the department and each
2 agency:

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

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

5 (c) Fiscal year-to-date payments to a selected vendor,
6 including the vendor name, payment date, payment amount, and
7 payment description.

8 (d) The number of active department employees by job
9 classification.

10 (e) Job specifications and wage rates.

11 Sec. 212. Within 14 days after the release of the executive
12 budget recommendation, the department shall cooperate with the
13 state budget office to provide the chairpersons of the senate and
14 house appropriations committees, the chairpersons of the
15 subcommittees, and the senate and house fiscal agencies with an
16 annual report on estimated state restricted fund balances, state
17 restricted fund projected revenues, and state restricted fund
18 expenditures for the prior 2 fiscal years.

19 Sec. 213. The department shall maintain, on a publicly
20 accessible website, a department scorecard that identifies, tracks,
21 and regularly updates key metrics that are used to monitor and
22 improve the department's performance.

23 Sec. 214. Total authorized appropriations from all sources
24 under part 1 for legacy costs for the fiscal year ending September
25 30, 2022 are estimated at \$10,315,000.00. From this amount, total
26 agency appropriations for pension-related legacy costs are
27 estimated at \$5,779,000.00. Total agency appropriations for retiree
28 health care legacy costs are estimated at \$4,536,000.00.

29 Sec. 215. To the extent permissible under the management and



1 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
2 take all reasonable steps to ensure businesses in deprived and
3 depressed communities compete for and perform contracts to provide
4 services or supplies, or both. The director shall strongly
5 encourage firms with which the department contracts to subcontract
6 with certified businesses in depressed and deprived communities for
7 services, supplies, or both.

8 Sec. 216. (1) On a quarterly basis, the department shall
9 report to the senate and house appropriations committees, the
10 subcommittees, and the senate and house fiscal agencies the
11 following information:

12 (a) The number of FTEs in pay status by type of staff and
13 civil service classification.

14 (b) A comparison by line item of the number of FTEs authorized
15 from funds appropriated in part 1 to the actual number of FTEs
16 employed by the department at the end of the reporting period.

17 (2) Semiannually, the department shall report to the senate
18 and house appropriations committees, the subcommittees, and the
19 senate and house fiscal agencies the following information:

20 (a) Number of employees that were engaged in remote work in
21 2021.

22 (b) Number of employees authorized to work remotely and the
23 actual number of those working remotely in the current reporting
24 period.

25 (c) Estimated net cost savings achieved by remote work.

26 (d) Reduced use of office space associated with remote work.

27 Sec. 217. Appropriations in part 1 shall, to the extent
28 possible by the department, not be expended until all existing work
29 project authorization available for the same purposes is exhausted.



1 Sec. 218. If the state administrative board, acting under
2 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
3 appropriated under this act, the legislature may, by a concurrent
4 resolution adopted by a majority of the members elected to and
5 serving in each chamber, intertransfer funds within this act for
6 the particular department, board, commission, officer, or
7 institution.

8 Sec. 219. The department and agencies receiving appropriations
9 in part 1 shall receive and retain copies of all reports funded
10 from appropriations in part 1. Federal and state guidelines for
11 short-term and long-term retention of records shall be followed.
12 The department may electronically retain copies of reports unless
13 otherwise required by federal or state guidelines.

14 Sec. 220. The department shall report no later than April 1 on
15 each specific policy change made to implement a public act
16 affecting the department that took effect during the prior calendar
17 year to the senate and house appropriations committees, the
18 subcommittees, the joint committee on administrative rules, and the
19 senate and house fiscal agencies.

20 Sec. 221. (1) From the funds appropriated in part 1, the
21 department shall do all of the following:

22 (a) Report to the house and senate appropriations committees,
23 the house and senate fiscal agencies, the house and senate policy
24 offices, and the state budget office any amount of severance pay
25 for a department director, deputy director, or other high-ranking
26 department official not later than 14 days after a severance
27 agreement with the director or official is signed. The name of the
28 director or official and the amount of severance pay must be
29 included in the report required by this subdivision.



1 (b) Maintain an internet site that posts any severance pay in
2 excess of 6 weeks of wages, regardless of the position held by the
3 former department employee receiving severance pay.

4 (c) By February 1, report to the house and senate
5 appropriations subcommittees on the department budget, the house
6 and senate fiscal agencies, the house and senate policy offices,
7 and the state budget office on the total amount of severance pay
8 remitted to former department employees during the fiscal year
9 ending September 30, 2021, and the number of former department
10 employees that were remitted severance pay during the fiscal year
11 ending September 30, 2021.

12 (2) As used in this section, "severance pay" means
13 compensation that is both payable or paid upon the termination of
14 employment and in addition to either wages or benefits earned
15 during the course of employment or generally applicable retirement
16 benefits.

17 Sec. 222. Any department, agency, board, commission,
18 subdivision, or other executive branch entity or official of this
19 state that receives funding under part 1 shall not do the
20 following:

21 (a) Require as a condition of accessing any state services or
22 facilities that an individual provide proof that he or she has
23 received a COVID-19 vaccine.

24 (b) Produce, develop, and issue a COVID-19 vaccine passport
25 for the purpose of certifying that an individual has received a
26 COVID-19 vaccine.

27 (c) Provide information of an individual's COVID-19 vaccine
28 status to any person, company, or governmental entity for inclusion
29 in a COVID-19 vaccine passport.



1 Sec. 223. The department may carry into the succeeding fiscal
2 year unexpended federal pass-through funds to local institutions
3 and governments that do not require additional state matching
4 funds. Federal pass-through funds to local institutions and
5 governments that are received in amounts in addition to those
6 included in part 1 and that do not require additional state
7 matching funds are appropriated for the purposes intended. Within
8 14 days after the receipt of federal pass-through funds, the
9 department shall notify the chairpersons of the subcommittees, the
10 senate and house fiscal agencies, and the state budget director of
11 pass-through funds appropriated under this section.

12 Sec. 224. (1) Grants supported with private revenues received
13 by the department are appropriated upon receipt and are available
14 for expenditure by the department, subject to subsection (3), for
15 purposes specified within the grant agreement and as permitted
16 under state and federal law.

17 (2) Within 10 days after the receipt of a private grant
18 appropriated in subsection (1), the department shall notify the
19 chairpersons of the subcommittees, the senate and house fiscal
20 agencies, and the state budget director of the receipt of the
21 grant, including the fund source, purpose, and amount of the grant.

22 (3) The amount appropriated under subsection (1) shall not
23 exceed \$1,500,000.00.

24 Sec. 225. (1) The department may charge registration fees to
25 attendees of informational, training, or special events sponsored
26 by the department, and related to activities that are under the
27 department's purview.

28 (2) These fees shall reflect the costs for the department to
29 sponsor the informational, training, or special events.



1 (3) Revenue generated by the registration fees is appropriated
2 upon receipt and available for expenditure to cover the
3 department's costs of sponsoring informational, training, or
4 special events.

5 (4) Revenue generated by registration fees in excess of the
6 department's costs of sponsoring informational, training, or
7 special events shall carry forward to the subsequent fiscal year
8 and not lapse to the general fund.

9 (5) The amount appropriated under subsection (3) shall not
10 exceed \$500,000.00.

11 Sec. 226. The department may make available to interested
12 entities otherwise unavailable customized listings of
13 nonconfidential information in its possession, such as names and
14 addresses of licensees. The department may establish and collect a
15 reasonable charge to provide this service. The revenue received
16 from this service is appropriated when received and shall be used
17 to offset expenses to provide the service. Any balance of this
18 revenue collected and unexpended at the end of the fiscal year
19 shall lapse to the appropriate restricted fund.

20 Sec. 227. (1) The department shall sell documents at a price
21 not to exceed the cost of production and distribution. Money
22 received from the sale of these documents shall revert to the
23 department. In addition to the funds appropriated in part 1, these
24 funds are available for expenditure when they are received by the
25 department of treasury. This subsection applies only for the
26 following documents:

27 (a) Corporation and securities division documents, reports,
28 and papers required or permitted by law pursuant to section 1060(6)
29 of the business corporation act, 1972 PA 284, MCL 450.2060.



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

3 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
4 to 125.2350; the business corporation act, 1972 PA 284, MCL
5 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
6 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
7 2008 PA 551, MCL 451.2101 to 451.2703.

8 (d) Construction code manuals.

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

10 (2) In addition to the funds appropriated in part 1, funds
11 appropriated for the department under sections 57, 58, and 59 of
12 the administrative procedures act of 1969, 1969 PA 306, MCL 24.257,
13 24.258, and 24.259, and section 203 of the legislative council act,
14 1986 PA 268, MCL 4.1203, are appropriated for all expenses
15 necessary to provide for the cost of publication and distribution.

16 (3) Unexpended funds at the end of the fiscal year shall carry
17 forward to the subsequent fiscal year and not lapse to the general
18 fund.

19 Sec. 228. (1) Not later than December 31, the department shall
20 submit a report to the subcommittees, the senate and house fiscal
21 agencies, and the state budget director pertaining to licensing and
22 regulatory programs during the previous 3 fiscal years, if
23 available, for the following agencies:

24 (a) Liquor control commission.

25 (b) Bureau of fire services.

26 (c) Bureau of construction codes.

27 (d) Corporations, securities, and commercial licensing bureau.

28 (e) Bureau of professional licensing.

29 (f) Bureau of community and health systems.



(2) The report shall be in a format that is consistent between the agencies listed in subsection (1) and shall provide, but is not limited to, the following information for the 3 previous fiscal years, as applicable, for each agency; agencies listed in subsection (1)(a) and (b) shall report by regulated activity and agencies listed in subsection (1)(c), (d), (e), and (f) shall report by regulatory product or regulated activity, or both:

(a) Revenue generated by and expenditures disbursed by regulatory fund.

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

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

(d) Number of initial applications.

(e) Number of initial applications denied.

(f) Number of license renewals.

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

(h) Number of examinations proctored for initial applications.

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

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

(k) Number of complaints received.

(l) Number of complaints investigated.

(m) Number of complaints closed with no action.

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

(o) Average amount of time to complete investigations.

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

(q) A description of the types of enforcement actions taken



1 against licensees.

2 (r) Number of administrative hearing adjudications.

3 (3) As used in subsection (2), "regulatory product" means each
4 occupation, profession, trade, or program, which includes
5 licensure, certification, registration, inspection, review,
6 permitting, approval, or any other regulatory service provided by
7 the agencies specified in subsection (1) for each regulated
8 activity. As used in this subsection and subsection (2), "regulated
9 activity" means the particular activities, entities, facilities,
10 and industries regulated by the agencies specified in subsection
11 (1).

12 Sec. 229. It is the intent of the legislature that the
13 department establish an employee performance monitoring process
14 that is consistent throughout the department in addition to current
15 civil service commission evaluations. By April 1, the department
16 shall submit a report to the state budget office, the
17 subcommittees, and the senate and house fiscal agencies on changes
18 to the employee performance monitoring process that are planned or
19 implemented, as well as the number of employee evaluations
20 performed.

21 Sec. 230. Unless prohibited by law, the department may accept
22 credit card or other electronic means of payment for licenses,
23 fees, or permits.

24 Sec. 231. The department shall submit a report to the
25 subcommittees, the senate and house fiscal agencies, and the state
26 budget director by September 30 detailing any expenditure of funds
27 for a television or radio production that was made to a third-party
28 vendor in the fiscal year ending September 30, 2022. The report
29 must include the following information for each expenditure:



1 (a) Total amount of the expenditure.

2 (b) Fund source for the expenditure.

3 (c) Name of the vendor(s) that created the production and the
4 amount paid to the vendor(s).

5 (d) Purpose of the production.

6 Sec. 232. Pending litigation must not delay investigations and
7 licensing actions taken by the department under its statutory
8 authority.

9
10 **PUBLIC SERVICE COMMISSION**

11 Sec. 301. The public service commission administers the low-
12 income energy assistance grant program on behalf of the Michigan
13 department of health and human services via an interagency
14 agreement. Funds supporting the grant program are appropriated in
15 the department upon awarding of grants and may be expended for
16 grant payments and administrative related expenses incurred in the
17 operation of the program.

18
19 **LIQUOR CONTROL COMMISSION**

20 Sec. 401. (1) From the appropriations in part 1 from the
21 direct shipper enforcement revolving fund, the liquor control
22 commission shall expend these funds as required under section
23 203(11) of the Michigan liquor control code of 1998, 1998 PA 58,
24 MCL 436.1203, to investigate and audit unlawful direct shipments of
25 wine by unlicensed wineries and retailers, with priority directed
26 toward unlicensed out-of-state retailers and third-party marketers.
27 In addition to other investigative methods, the commission shall
28 use shipping records available to it under section 203(21) of the
29 Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to



1 assist with this effort. The liquor control commission must refer
2 all unlicensed out-of-state retailers and third-party marketers
3 identified with the shipping records to the attorney general.

4 (2) By February 1, the liquor control commission shall provide
5 a report to the legislature, the subcommittees, and the state
6 budget director detailing the commission's activities to
7 investigate and audit the illegal shipping of wine and the results
8 of these activities. The report shall include the following:

9 (a) Work hours spent, specific actions undertaken, and the
10 number of FTEs dedicated to identifying and stopping unlicensed
11 out-of-state retailers, third-party marketers, and wineries that
12 ship illegally in Michigan.

13 (b) General overview of expenditures associated with efforts
14 to identify and stop unlicensed out-of-state retailers, third-party
15 marketers, and wineries that ship illegally in Michigan.

16 (c) Number of out-of-state entities found to have illegally
17 shipped wine into Michigan and total number of bottles (750 ml),
18 number of cases with 750 ml bottles, number of liters, number of
19 gallons, or weight of illegally shipped wine. These items must be
20 broken down by total number of retailers and total number of
21 wineries.

22 (d) Suggested areas of focus on how to address direct shipper
23 enforcement and illegal importation in the future.

24 (e) Number of unlicensed out-of-state entities found to have
25 illegally shipped wine into Michigan identified with the shipping
26 records under subsection (1).

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

28 (3) From the appropriations in part 1 from the direct shipper
29 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 Michigan that has been identified via the shipping records under subsection (1). The notice must include all of the following:

(a) Notification that shipping wine into Michigan by retailers and third-party marketers is illegal, and wineries shipping into Michigan must obtain a direct shipper license.

(b) Under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan 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) Notice that the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

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

Operation and maintenance inspection fee

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

Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00



\$10,000,001.00 or more \$1.10 per \$1,000.00
or a maximum fee of \$60,000.00.

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

Sec. 503. Not later than February 15, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget director providing the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

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

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure,



1 registration, filing, or any other fees during the preceding fiscal
2 year and a description of how these costs were calculated.

3 (d) The estimated amount of revenue that will be exempted
4 under each licensure or regulatory program administered by the
5 bureau of construction codes, the bureau of professional licensing,
6 and the corporations, securities, and commercial licensing bureau
7 in both the current and subsequent fiscal years and a description
8 of how the exempted revenue was estimated.

9 Sec. 504. The department shall submit a comprehensive annual
10 report for all programs administered by the marijuana regulatory
11 agency by January 31 to the standing committees on appropriations
12 of the senate and house of representatives, the senate and house
13 fiscal agencies, and the state budget director. This report shall
14 include, but is not limited to, all of the following information
15 for the prior fiscal year regarding the marihuana programs under
16 the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to
17 333.26430; the Medical Marihuana Facilities Licensing Act, 2016 PA
18 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and
19 Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

20 (a) The number of initial applications received, by license
21 category.

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

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

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

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



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

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

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

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

12 (j) The total amount collected from application fees or
13 established regulatory assessment and the specific fund this amount
14 is deposited into, by license category.

15 (k) The costs of administering the licensing program under
16 each of the above-referenced acts.

17 (l) The registered name and addresses of all facilities
18 licensed under the above-referenced acts, by license category and
19 by county.

20 (m) Number of complaints received pertaining to the above-
21 referenced acts, by license type or regulatory activity.

22 (n) A description of the types of complaints received.

23 (o) A description of the process used to resolve complaints.

24 (p) Number of investigations opened pertaining to each license
25 category.

26 (q) Number of investigations closed pertaining to each license
27 category.

28 (r) Average amount of time to complete investigations
29 pertaining to each license category.



1 (s) Number of enforcement actions pertaining to each license
2 category.

3 (t) A description of the types of enforcement actions taken
4 against licensees.

5 (u) Number of administrative hearing adjudications pertaining
6 to each license type.

7 (v) A list of the fees charged for license applications,
8 license renewals, and registry cards.

9 Sec. 505. If the revenue collected by the department for
10 health systems administration from fees and collections exceeds the
11 amount appropriated in part 1, the revenue may be carried forward
12 into the subsequent fiscal year. The revenue carried forward under
13 this section shall be used as the first source of funds in the
14 subsequent fiscal year.

15 Sec. 506. Not later than February 1, the department shall
16 submit a report to the subcommittees, the senate and house fiscal
17 agencies, and state budget director providing the following
18 information:

19 (a) The total amount of reimbursements made to local units of
20 government for delegated inspections of fireworks retail locations
21 pursuant to section 11 of the Michigan fireworks safety act, 2011
22 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
23 bureau of fire services during the preceding fiscal year.

24 (b) The amount of reimbursement for delegated inspections of
25 fireworks retail locations for each local unit of government that
26 received reimbursement from the funds appropriated in part 1 for
27 the bureau of fire services during the preceding fiscal year.

28 Sec. 507. (1) Beginning October 1, for the purpose of
29 defraying the costs associated with responding to false final



1 inspection appointments and to discourage the practice of calling
2 for final inspections when the project is incomplete or
3 noncompliant with a plan of correction previously provided by the
4 bureau of fire services, the bureau of fire services may assess a
5 fee not to exceed \$200.00 for responding to a second or subsequent
6 confirmed false inspection appointment. Fees collected under this
7 section shall be deposited into the restricted account referenced
8 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL
9 29.2c, and explicitly identified within the statewide integrated
10 governmental management applications system.

11 (2) Not later than September 30, the department shall prepare
12 a report that provides the amount of the fee assessed under
13 subsection (1), the number of fees assessed and issued per region,
14 the cost allocation for the work performed and reduced as a result
15 of this section, and any recommendations for consideration by the
16 legislature. The department shall submit this information to the
17 state budget director, the subcommittees, and the senate and house
18 fiscal agencies.

19 Sec. 508. The department shall submit a report on the Michigan
20 automated prescription system to the senate and house
21 appropriations committees, the senate and house fiscal agencies,
22 and the state budget director by November 30. The report shall
23 include, but is not limited to, the following:

24 (a) Total number of licensed health professionals registered
25 to the Michigan automated prescription system.

26 (b) Total number of dispensers registered to the Michigan
27 automated prescription system.

28 (c) Total number of prescribers using the Michigan automated
29 prescription system.



1 (d) Total number of dispensers using the Michigan automated
2 prescription system.

3 (e) Number of cases related to overprescribing,
4 overdensing, and drug diversion where the department took
5 administrative action as a result of information and data generated
6 from the Michigan automated prescription system.

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

10 (g) Total number of delegate users registered to the Michigan
11 automated prescription system.

12 Sec. 509. From the amount appropriated in part 1 for bureau of
13 community and health systems administration, upon receipt of the
14 order of suspension of a licensed adult foster care home, home for
15 the aged, or nursing home, the department shall serve the facility
16 and provide contemporaneous notice to the offices of legislators
17 representing a district where the licensed facility is situated and
18 to the senate and house subcommittees on health and human services.

19 Sec. 510. Funds appropriated in part 1 for urban search and
20 rescue must be distributed by the bureau of fire services to
21 support activities by the Michigan Task Force 1 in response to
22 emergencies and other situations that require technical rescue
23 expertise and equipment.

24 Sec. 511. The department shall submit biannual reports to the
25 subcommittees, the senate and house fiscal agencies, and the state
26 budget director containing inspector feedback and input from
27 inspectors within the bureau of community and health systems
28 regarding the adequacy of federal and state guidelines pertaining
29 to entities regulated by the bureau.



GRANTS

Sec. 901. (1) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to counties for education and outreach programs relating to the Michigan medical marihuana program pursuant to section 6(1) of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant money available to each county on its website. In addition, the department shall work collaboratively with counties regarding the availability of these grant funds. A county requesting a grant shall apply on a form developed by the department and available on its website. The form shall contain the county's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(3) In order to be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and agree to report how the grant was expended and to provide that report to the department not later than September 15. The



1 department shall submit a report not later than October 15 of the
2 subsequent fiscal year to the state budget director, the
3 subcommittees, and the senate and house fiscal agencies detailing
4 the grant amounts by recipient and the reported uses of the grants
5 in the preceding fiscal year.

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

11 (2) If the amount appropriated in part 1 for firefighter
12 training grants is expended by the firefighters training council,
13 established in section 3 of the firefighters training council act,
14 1966 PA 291, MCL 29.363, for payments to counties under section 14
15 of the firefighters training council act, 1966 PA 291, MCL 29.374,
16 it is the intent of the legislature that:

17 (a) The amount appropriated in part 1 for firefighter training
18 grants shall be allocated pursuant to section 14(2) of the
19 firefighters training council act, 1966 PA 291, MCL 29.374.

20 (b) If the amount allocated to any county under subdivision
21 (a) is less than \$5,000.00, the amounts disbursed to each county
22 under subdivision (a) shall be adjusted to provide for a minimum
23 payment of \$5,000.00 to each county.

24 (3) Not later than February 1, the department shall submit a
25 financial report to the subcommittees, the senate and house fiscal
26 agencies, and the state budget director identifying the following
27 information for the preceding fiscal year:

28 (a) The amount of the payments that would be made to each
29 county if the distribution formula described by the first sentence



1 of section 14(2) of the firefighters training council act, 1966 PA
2 291, MCL 29.374, would have been utilized to allocate the total
3 amount appropriated in part 1 for firefighter training grants.

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

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

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

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