

# SENATE BILL No. 119

February 20, 1991, Introduced by Senator PRIDNIA and referred to the Committee on Health Policy.

A bill to amend section 20145 of Act No. 368 of the Public Acts of 1978, entitled as amended  
"Public health code,"

as amended by Act No. 331 of the Public Acts of 1990, being section 333.20145 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 20145 of Act No. 368 of the Public Acts  
2 of 1978, as amended by Act No. 331 of the Public Acts of 1990,  
3 being section 333.20145 of the Michigan Compiled Laws, is amended  
4 to read as follows:

5 Sec. 20145. (1) Before contracting for and initiating a  
6 construction project involving new construction, additions, mod-  
7 ernizations, or conversions of a health facility or agency for  
8 which a certificate of need under part 222 is required, a person  
9 shall obtain a construction permit from the department. The

1 permit shall not be issued under this subsection unless the  
2 applicant holds a valid certificate of need issued pursuant to  
3 part 222.

4 (2) To protect the public health, safety, and welfare, the  
5 department may promulgate rules to require construction permits  
6 and the submission of plans for other construction projects to  
7 expand or change service areas and services provided.

8 (3) The review and approval of architectural plans and nar-  
9 rative shall require that the proposed construction project is  
10 designed and constructed in accord with applicable statutory and  
11 other regulatory requirements.

12 (4) The department shall promulgate rules to further pre-  
13 scribe the scope of construction projects and other alterations  
14 subject to review under this section.

15 (5) The department may waive the applicability of this sec-  
16 tion to a construction project or alteration if the waiver will  
17 not affect the public health, safety, and welfare.

18 (6) Upon request by the person initiating a construction  
19 project, the department may review and issue a construction  
20 permit to a construction project that is not subject to  
21 subsection (1) or (2) if the department determines that the  
22 review will promote the public health, safety, and welfare.

23 (7) The department shall assess a fee for each review con-  
24 ducted under this section. The fee shall be ~~—.005%~~ .5% of the  
25 first \$1,000,000.00 of capital expenditure and ~~—.0085%~~ .85% of  
26 any amount over \$1,000,000.00 of capital expenditure, up to a  
27 maximum of \$30,000.00. As used in this subsection, "capital

1 expenditure" means that term as defined in section 22203(2),  
2 except that it does not include the cost of equipment that is not  
3 fixed equipment.