



**Senate Fiscal Agency**  
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**BILL ANALYSIS**



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Senate Bill 417 (as passed by the Senate)  
Senate Bill 418 (Substitute S-1 as passed by the Senate)  
Senate Bill 501 (Substitute S-1 as passed by the Senate)  
Senate Bill 502 (Substitute S-1 as passed by the Senate)  
Senate Bills 503, 504, and 505 (as passed by the Senate)  
Senate Bill 506 (Substitute S-1 as passed by the Senate)  
Senate Bill 507 (as passed by the Senate)  
Sponsor: Senator Glenn D. Steil  
Committee: Government Operations

Date Completed: 6-15-95

**RATIONALE**

In 1994 the National Conference of State Legislatures (NCSL), at the request of the Michigan Legislature, conducted a study of the central, nonpartisan agencies and staff that are under the direction of the Legislative Council, including the Legislative Service Bureau, the Office of the Legislative Corrections Ombudsman, staff to the Joint Committee on Administrative Rules, and the Library of Michigan. The purpose of the study was to assess the organizational structure of the agencies under the Legislative Council, examine the usefulness of each agency, and identify opportunities for organizational streamlining. In December 1994, the NCSL completed the study and issued its report, which recommended several changes. At its March 1995 meeting, the Legislative Council decided to adopt some of the suggestions made by the NCSL study, and implement several other adaptations to restructure and refocus certain legislative agencies. Many of the changes can be made by amendments to Legislative Council rules; however, some of the recommendations, such as creating a position of Legislative Council administrator, narrowing the focus of the Corrections Ombudsman, and reducing the distribution of various free publications, cannot be made without statutory changes.

**CONTENT**

**The bills would amend various Acts to restrict the free distribution of the Michigan Manual,**

**the Local and Public Acts, and other publications; restrict the Corrections Ombudsman office to investigations of complaints forwarded by Legislators, or significant prisoner health and safety issues; create the position of Legislative Council Administrator; specify that Joint Committee on Administrative Rules staff would be under the authority of the Legislative Council administrator; repeal the Michigan Consumers Council enabling Act; and place the Legislative Council administrator on the Library of Michigan Board of Trustees.** Following is a detailed description of the bills.

**Senate Bill 417**

The bill would amend Public Act 44 of 1899, which provides for the publication and distribution of laws and State documents, to reduce the number of copies of the Michigan Compiled Laws, the Michigan Manual, and the Public and Local Acts currently required to be distributed; provide that the "publication" of these documents would mean the production and dissemination of the information in print, microfilm, microfiche, or electronic form; and remove some of the current requirements for the publication of the Public and Local Acts.

The bill specifies that a sufficient number of publications of the Michigan Compiled Laws (MCL) would have to be provided to the Department of Management and Budget (DMB) for distribution as follows: one to each member of the Legislature,

and 40 to the Secretary of the Senate and 114 to the Clerk of the House for use as desk copies by the members. Currently, in addition to distributing the MCL to those offices, the DMB must distribute sets of the MCL to the Library of Congress, Governor, and Lieutenant Governor. The bill would eliminate this provision.

Currently, Public Act 44 of 1899 requires that additional sets of the MCL, upon written request to the Legislative Service Bureau (LSB), be distributed by the DMB in the quantities specified in the following manner: one set to each justice of the State Supreme Court, the clerk of the State Supreme Court, and the reporter of the State Supreme Court; four sets to the court administrator's office; one set to each judge of every court of the State, each prosecuting attorney, and each county law library; one set to the county board of commissioners of each county, which must be located in the county courthouse and available to the public; one set to each State-supported university or college and each private university or college in the State that is accredited by the North Central Association of Colleges and Secondary Schools; 250 sets to the State Library for use in the library and for exchanges; and a number of sets, as determined by the LSB, for use in the executive office of the Governor, each State department, the Legislative Council, and offices, councils, bureaus, and committees of the Legislature. The bill would eliminate these provisions.

The bill would eliminate a requirement that the DMB deliver a copy or copies of the Michigan Manual to the following offices and persons: Michigan Senators and Representatives in Congress; U.S. circuit and district court judges in Michigan; justices of the State Supreme Court; judges of the Court of Appeals; the judges of the circuit, district, and probate courts; each district, graded and city public school, and parochial school; each high school, public, private, and parochial; each public library other than school libraries; archives that are in, or a part of, public institutions in Michigan; and the Governor, Lieutenant Governor, Secretary of State, State Treasurer, Auditor General, Attorney General, Superintendent of Public Instruction, Public Service Commission, State Tax Commission, Department of Natural Resources, Financial Institutions Bureau, Department of Agriculture, Insurance Bureau, Department of Labor, Corporation and Securities Bureau, Secretary of the Senate and Clerk of the House. The bill provides instead that the DMB would have to

deliver one copy of the Michigan Manual to each member of the Legislature. The DMB could sell the publication, unless directed otherwise by the LSB, at a price determined by the LSB but not to exceed the cost of preparation and distribution.

Currently, upon written request to the LSB, the DMB must distribute, without charge, one volume of the Public and Local Acts of each legislative session to the following: libraries of all State officers, departments, boards, commissions, and institutions; Senators and Representatives of Michigan in Congress; the Library of Congress; the U.S. Supreme Court and judges and clerks of the circuit and district courts of the U.S. in the State; justices, clerks, and the reporter of the State Supreme Court; judges of the Court of Appeals, circuit, recorder's, district, and municipal courts; and all public libraries and all county law libraries. The bill would eliminate these provisions, as well as a requirement that 140 copies be deposited in the State Library. The bill provides instead that the DMB, unless otherwise directed by the LSB, would have to distribute 42 copies of the publication to the Senate and 120 to the House, to be used as desk copies.

The bill would delete a requirement that county clerks file a requisition for all copies of the Public and Local Acts for the needs of the counties, including county officers and townships, villages, and cities and their officers within the clerks' counties.

The bill would eliminate provisions that require the Public and Local Acts to be compiled in a single bound volume and embossed on the spine with high quality gold stamping foil.

#### **Senate Bill 418 (S-1)**

The bill would amend the Administrative Procedures Act to reduce the number of copies of the Michigan Register, and the Administrative Code and annual supplement to the Code, currently required to be distributed. The bill would eliminate provisions that require the DMB to deliver or mail a copy of these documents to each standing committee of the Legislature; each member of the Legislature at the legislator's home; each attorney on the LSB staff; each division of the Department of Attorney General; each county law library, bar association library, and law school library in this State; and any other library in the State (upon request); three copies to each State department; and any additional copies to any officer or agency of the State and any other

officers, agencies, and libraries approved by the LSB. The bill would require instead that the DMB, unless otherwise directed by the LSB, provide copies of the documents to the Secretary of the Senate and Clerk of the House in sufficient numbers to supply each legislator.

Currently, members of the Legislature may retain copies of the Michigan Register and the Michigan Administrative Code sent to their homes. The DMB must send to the home address of a new member of the Legislature the current volume of the Michigan Register and a complete copy of the Michigan Administrative Code. The DMB also must deliver to the State Library the Michigan Register, the Michigan Administrative Code, and the annual supplement, when requested by the State Library sufficient for the Library's use and for exchanges. The bill would eliminate these provisions.

The bill would allow the Joint Committee on Administrative Rules to hire staff to assist the Committee. Supervision of the staff, budgeting, procurement, and related functions of the Committee would be performed by the Legislative Council administrator (whose position would be created by Senate Bill 506).

#### **Senate Bill 501 (S-1)**

The bill would amend Public Act 46 of 1975, which governs the Legislative Corrections Ombudsman, to revise the procedures used by the Ombudsman in investigating complaints by prisoners. Currently, upon receiving a complaint or upon the Ombudsman's own initiative, the Ombudsman may investigate an administrative act by the Department of Corrections (DOC) that is alleged to be contrary to law or the Department's policy, unaccompanied by an adequate statement of reason, or based on irrelevant, immaterial, or erroneous grounds. The bill provides instead that the Ombudsman could begin an investigation upon either of the following: receipt of a complaint from a legislator concerning an administrative act alleged by a prisoner to be contrary to law or departmental policy, and only after all of the DOC's grievance procedures and administrative remedies had been exhausted; or the Ombudsman's own initiative for significant prisoner health and safety issues and other matters for which there was no effective administrative remedy, as determined by the Legislative Council.

Upon receiving and deciding to investigate a complaint, the Ombudsman would have to notify the legislator who filed the complaint, the prisoner or prisoners affected, and the DOC. If the Ombudsman declined to investigate a complaint, he or she would have to notify the legislator in writing, and inform the prisoner or prisoners affected, of the reasons for the decision. The Ombudsman would have to submit a report of the findings of an investigation and make recommendations to the Legislative Council within 30 days of completing the investigation when the Ombudsman found any of the following: a matter that should be considered by the DOC; an administrative act that should be modified or canceled; a statute or rule that should be altered; administrative acts for which justification was necessary; significant prisoner health and safety issues as determined by the Legislative Council; and any other significant concerns as determined by the Council. The Council could forward the report to the DOC, the prisoner or prisoners affected, or the legislator. The report would be exempt from disclosure under the Freedom of Information Act.

Currently, the Ombudsman must advise a complainant to pursue all administrative remedies or channels of complaint, and the Ombudsman may request and receive progress reports concerning the administrative processing of any complaint from the DOC and the complainant. After administrative action on a complaint, the Ombudsman may conduct further investigations upon request of the complainant or upon his or her own initiative. The bill would delete these provisions.

#### **Senate Bills 502 (S-1) through 505**

The bills would repeal or amend various Acts to remove references to the Michigan Consumers Council. Senate Bills 503, 504, and 505 are tied to Senate Bill 502.

Public Act 277 of 1966 created the Consumers Council and prescribes its powers and duties. The Act provides that the Consumers Council is under the general control of the Legislative Council for purposes of budgeting, procurement, and related management functions. Senate Bill 502 (S-1) would repeal the Act. Further, the bill would repeal Section 304 of the Construction Lien Act, which required the Legislature to create a joint review

committee, composed of members of each house of the Legislature and the Legislative Council, to review the functions and performance of the Homeowner Construction Lien Recovery Fund, and issue a report on the Fund by September 30, 1985.

Senate Bill 503 would amend the Marine Safety Act to remove from the 27-member Marine Safety Education Commission one member recommended by the Consumers Council, and replace that member by increasing from two to three the persons on the Commission who represent the general public.

Senate Bill 504 would amend the Franchise Investment Law to remove a reference to the Consumers Council in a provision that requires the Department of Attorney General, in cooperation with the Consumers Council, to prepare and make available a franchise opportunities handbook containing information to be used by a potential franchisee.

Senate Bill 505 would amend the public service commission enabling Act to remove references to the Consumers Council and the Attorney General in provisions regarding the appointment of members to the Utility Consumer Participation Board. Currently, of the five-member board, four are to be chosen from lists of persons submitted by the Consumers Council. Further, the Act requires the Consumers Council and the Attorney General to submit to the Governor a list of as many qualified persons as there are vacancies on the Board. If the Governor does not appoint all of those whose names are submitted, the Consumers Council or the Attorney General must submit another list. The bill would delete these provisions.

#### **Senate Bill 506 (S-1) and 507**

Senate Bill 506 (S-1) would amend the Legislative Council Act to require the Legislative Council to appoint a Council administrator, and prescribe the duties of the administrator. The Council administrator would be the chief executive officer of the Legislative Service Bureau, the Michigan Law Revision Commission, and any other Legislative Council agency designated by the Council. The administrator would be an at-will employee and serve at the pleasure of the Council. The administrator would have the following duties and responsibilities:

- To provide general supervisory oversight over all Legislative Council agencies.
- To provide personnel policy oversight and development for all Legislative Council agencies.
- To develop, prepare, and present Legislative Council agency budgets.
- To review quarterly financial statements of Legislative Council agencies and monitor budgetary compliance.
- To act as secretary to the Legislative Council, including but not limited to scheduling meetings for the Council and subcommittees; keeping and recording minutes and records; and performing other duties and responsibilities as assigned by the Council.

Currently, the Director of the Legislative Service Bureau is the secretary of the Council. The bill would eliminate this provision.

Currently, a writing prepared, owned, used, in the possession of, or retained by the Council is subject to the Freedom of Information Act. The bill would exempt a report or recommendation that was prepared by the Legislative Corrections Ombudsman.

Senate Bill 507 would amend the Library of Michigan Act to require that the Legislative Council administrator be a member of the 15-member Library of Michigan board of trustees, replacing the director of the Legislative Service Bureau. Further, the director of the Bureau and the State Librarian currently must coordinate the activities of the library with the Legislative Council. The bill would replace the director of the Bureau with the administrator.

MCL 24.1 et al. (S.B. 417)  
24.235 & 24.259 (S.B. 418)  
4.351 et al. (S.B. 501)  
445.821 et al. (S.B. 502)  
281.1011a (S.B. 503)  
445.1505a (S.B. 504)  
460.61 (S.B. 505)  
4.1102 et al. (S.B. 506)  
397.12 et al. (S.B. 507)

#### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

### **Supporting Argument**

At the Legislative Council meeting in March of this year, the Council decided to make several changes in the administration and organization of several agencies under its direction, including adopting some of the suggestions recommended in a report on Legislative Council agencies conducted by the NCSL. Currently, while the director of the LSB generally is considered to have administrative responsibility for certain agencies under the Council, the director has few specified administrative powers. Reportedly, the Council felt that it needed one person to be responsible for the administration of Council policies and direction, to be the general supervisor of all Legislative Council agencies, to centralize salary and personnel policies, and to develop and prepare Legislative Council agency budgets. Further, the Council decided to reduce certain costs, by restricting the distribution of free but costly publications, and narrowing the scope of business conducted by the Legislative Corrections Ombudsman. While the Council can implement many changes by rule, some of its proposals to make its various agencies more efficient or refocus their missions must be done in statute. The bills would accomplish the desired changes.

### **Opposing Argument**

Though the Consumers Council hasn't been funded since fiscal year 1990-91, eliminating its enabling Act is unnecessary at this time. The Consumers Council provided valuable help for consumers when it was in operation, and perhaps it will one day be funded again. If that day comes, it would be better if the Consumers Council were still in statute, so that the Legislature would not have to go through the process of passing another law to revive it.

**Response:** Keeping the current Act on the books serves no purpose. While still in statute, the Consumers Council has been defunct for five years now because it has not been funded, and chances of it being funded in the near future are dim. If there comes a time when the Legislature desires to fund the Consumers Council again, or an agency like it, the Legislature can fashion a law to meet its desires at that time.

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

#### **Senate Bills 417 & 418 (S-1)**

There would be costs savings as a result of the reduction of the free distribution of the publications in the bills. The cost of production, storage,

postage, and distribution would be lowered because the number of copies published would be reduced. The actual cost savings cannot be estimated at this time.

#### **Senate Bill 501 (S-1)**

The bill would result in reduced costs for the Office of the Legislative Corrections Ombudsman. The FY 1994-95 estimated expenditures for the Office are \$473,000. The Senate-passed version of the FY 1995-96 General Government appropriation bill includes \$325,000 for the Corrections Ombudsman based on proposed changes contained in this bill.

#### **Senate Bill 502 (S-1)**

The bill would have no fiscal impact on State or local government. The last year of funding for the Michigan Consumers Council was FY 1990-91. The FY 1991-92 \$469,000 appropriation for the Council was line item vetoed by the Governor.

#### **Senate Bills 503-505**

The bills would have no fiscal impact on State or local government.

#### **Senate Bill 506 (S-1)**

The bill would result in additional costs to the Legislative Council. Costs would depend on the salary set for the Council administrator and any support staff requirements.

#### **Senate Bill 507**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: L. Nacionales-Tafoya  
(S.B. 417, 418)  
B. Bowerman  
(S.B. 501, 502-507)

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.