

**SUBSTITUTE FOR
SENATE BILL NO. 361**

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, 2000; 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, 2000,

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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.....	64.5	
6	Full-time equated classified positions.....	4,132.4	
7	GROSS APPROPRIATION.....	\$	508,533,500
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....		4,020,900
11	ADJUSTED GROSS APPROPRIATION.....	\$	504,512,600
12	Federal revenues:		
13	Total federal revenues.....		217,890,000
14	Special revenue funds:		
15	Total local revenues.....		0
16	Total private revenues.....		791,900
17	Total other state restricted revenues.....		193,473,200
18	State general fund/general purpose.....	\$	92,357,500
19	Sec. 102. EXECUTIVE DIRECTION		
20	Full-time equated unclassified positions.....	64.5	
21	Full-time equated classified positions.....	74.0	
22	Unclassified salaries.....	\$	5,021,300
23	Executive director programs--11.0 FTE positions.....		1,778,900
24	Policy development--9.0 FTE positions.....		1,362,200
25	Utility consumer representation.....		850,000
26	Regulatory efficiency improvements/backlog reduction		
27	initiative.....		750,000

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1	MES board of review program--21.0 FTE positions.....	1,634,000
2	Office of legal affairs--33.0 FTE positions.....	<u>3,100,100</u>
3	GROSS APPROPRIATION.....	\$ 14,496,500
4	Appropriated from:	
5	Federal revenues:	
6	DOL-ETA, unemployment insurance.....	2,039,900
7	DOL, multiple grants for safety and health.....	148,100
8	Special revenue funds:	
9	Bank fees.....	174,200
10	Boiler fees.....	22,500
11	Construction code fund.....	272,800
12	Consumer finance fees.....	40,300
13	Corporation and securities fees.....	181,000
14	Credit union fees.....	83,500
15	Elevator fees.....	26,000
16	Fees and collections/asbestos.....	10,700
17	Health professions regulatory fund.....	1,818,500
18	Health systems fees and collections.....	47,600
19	Insurance regulatory fees.....	641,800
20	Licensing and regulation fees.....	267,200
21	Liquor purchase revolving fund.....	1,195,800
22	Manufactured housing commission fees.....	145,600
23	Michigan state housing development authority fees and	
24	charges.....	295,800
25	Motor carrier fees.....	25,500
26	Property development fees.....	4,300

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1	Public utility assessments.....	533,500
2	Safety education and training fund.....	200,300
3	Second injury fund.....	68,300
4	Self-insurers security fund.....	18,000
5	Silicosis and dust disease fund.....	26,200
6	Utility consumer representation fund.....	850,000
7	Worker's compensation administrative revolving fund..	53,200
8	State general fund/general purpose.....	\$ 5,305,900
9	Sec. 103. COUNCIL FOR ARTS AND CULTURAL AFFAIRS	
10	Full-time equated classified positions.....9.0	
11	Administration--9.0 FTE positions.....	\$ 855,400
12	Arts and cultural grants.....	<u>21,548,700</u>
13	GROSS APPROPRIATION.....	\$ 22,404,100
14	Appropriated from:	
15	Federal revenues:	
16	NFAH-NEA, promotion of the arts, state and regional	
17	programs.....	700,000
18	State general fund/general purpose.....	\$ 21,704,100
19	Sec. 104. FIRE SAFETY	
20	Full-time equated classified positions.....54.0	
21	Office of fire safety--54.0 FTE positions.....	\$ <u>4,368,200</u>
22	GROSS APPROPRIATION.....	\$ 4,368,200
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from department of community health, inspection	
26	contract.....	109,200

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1	Federal revenues:	
2	Federal funds.....	1,298,300
3	Special revenue funds:	
4	Fire alarm regulation fees.....	164,300
5	Fire services fees.....	1,618,700
6	State general fund/general purpose..... \$	1,177,700
7	Sec. 105. MANAGEMENT SERVICES	
8	Full-time equated classified positions.....178.0	
9	Administrative services--74.0 FTE positions..... \$	5,144,600
10	Technology support--104.0 FTE positions.....	12,540,000
11	Health services information systems.....	750,000
12	Insurance automation.....	750,000
13	Rent.....	6,306,400
14	Building occupancy charges - property development	
15	services.....	4,767,900
16	Worker's compensation.....	1,009,900
17	Special project advances.....	<u>740,000</u>
18	GROSS APPROPRIATION..... \$	32,008,800
19	Appropriated from:	
20	Federal revenues:	
21	DOL-ETA, unemployment insurance.....	342,400
22	DOL, multiple grants for safety and health.....	671,600
23	Federal funds.....	751,200
24	HHS, federal funds.....	76,100
25	Special revenue funds:	
26	Private - special project advances.....	740,000

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1	Bank fees.....	299,200
2	Boiler fee revenue.....	220,700
3	Construction code fund.....	1,247,100
4	Consumer finance fees.....	136,500
5	Corporations and securities fees.....	2,026,700
6	Credit union fees.....	214,800
7	Elevator fees.....	321,400
8	Fees and collections/asbestos.....	52,100
9	Health professions regulatory fund.....	3,559,200
10	Health systems fees and collections.....	256,500
11	Insurance regulatory fees.....	2,164,900
12	Licensing and regulation fees.....	1,905,300
13	Liquor license fees.....	160,900
14	Liquor purchase revolving fund.....	4,948,400
15	Manufactured housing commission fees.....	117,900
16	Michigan state housing development authority fees and	
17	charges.....	1,780,600
18	Motor carrier fees.....	187,600
19	Property development fees.....	6,100
20	Public utility assessments.....	2,409,700
21	Safety education and training fund.....	385,700
22	Second injury fund.....	77,400
23	Self-insurers' security fund.....	20,300
24	Silicosis and dust disease fund.....	29,900
25	Worker's compensation administrative revolving fund..	1,179,100
26	State general fund/general purpose..... \$	5,719,500

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1	Sec. 106. FINANCIAL SERVICES AND CORPORATIONS	
2	Full-time equated classified positions.....	375.0
3	Manufactured housing commission, per diem \$50.00.....	\$ 7,800
4	Manufactured housing and land resources program--	15.0
5	FTE positions.....	1,456,900
6	Corporate services--61.0 FTE positions.....	4,923,800
7	Investment oversight--29.0 FTE positions.....	2,523,800
8	Local manufactured housing communities inspections...	250,000
9	Property development group--13.0 FTE positions.....	1,382,100
10	Remonumentation grants.....	4,500,000
11	Financial institutions administration--18.0 FTE	
12	positions.....	1,291,100
13	Bank regulation--50.0 FTE positions.....	5,166,000
14	Credit union regulation--41.0 FTE positions.....	3,430,600
15	Financial institutions consumer protection--19.0 FTE	
16	positions.....	1,721,200
17	Financial institutions policy and legislation--5.0	
18	FTE positions.....	371,300
19	Federal regulatory projects.....	50,600
20	Insurance bureau administration--18.0 FTE positions..	2,155,600
21	Insurance financial standards--49.0 FTE positions....	7,313,900
22	Insurance licensing and enforcement--30.0 FTE	
23	positions.....	2,533,100
24	Insurance market standards and consumer services--	
25	27.0 FTE positions.....	<u>2,478,300</u>
26	GROSS APPROPRIATION.....	\$ 41,556,100

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1	Appropriated from:	
2	Federal revenues:	
3	Federal regulatory project revenues.....	50,600
4	Special revenue funds:	
5	Private - travel funds.....	5,900
6	Bank fees.....	5,988,900
7	Certification and copying fees.....	2,127,500
8	Consumer finance fees.....	1,972,300
9	Corporation and securities fees.....	5,731,000
10	Credit union fees.....	4,019,000
11	Insurance continuing education fees.....	532,400
12	Insurance licensing and regulation fees.....	3,127,600
13	Insurance regulatory fees.....	10,683,100
14	Land sales fees.....	20,000
15	Limited liability partnership revenue.....	10,000
16	Manufactured housing commission fees.....	1,845,800
17	Multiple employer welfare arrangement.....	131,900
18	Property development fees.....	231,000
19	Remonumentation fees.....	5,079,100
20	State general fund/general purpose..... \$	0
21	Sec. 107. PUBLIC SERVICE COMMISSION	
22	Full-time equated classified positions.....161.0	
23	Administration, planning and regulation--161.0 FTE	
24	positions..... \$	<u>18,387,200</u>
25	GROSS APPROPRIATION..... \$	18,387,200
26	Appropriated from:	

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1	Federal revenues:	
2	DOE-OEERE, multiple grants.....	2,227,900
3	DOT-RSPA, gas pipeline safety.....	265,000
4	Special revenue funds:	
5	Private - Great Lakes governors council.....	46,000
6	Motor carrier fees.....	1,787,700
7	Public utility assessments.....	14,060,600
8	State general fund/general purpose..... \$	0
9	Sec. 108. LIQUOR CONTROL COMMISSION	
10	Full-time equated classified positions.....183.0	
11	Management support services--43.0 FTE positions..... \$	2,929,900
12	Liquor licensing and enforcement--140.0 FTE positions	10,309,800
13	Liquor law enforcement grants.....	6,000,000
14	Grant to department of agriculture, wine industry	
15	council.....	<u>424,100</u>
16	GROSS APPROPRIATION..... \$	19,663,800
17	Appropriated from:	
18	Special revenue funds:	
19	Liquor license revenue.....	10,773,300
20	Liquor purchase revolving fund.....	8,466,400
21	Nonretail liquor license revenue.....	424,100
22	State general fund/general purpose..... \$	0
23	Sec. 109. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
24	Full-time equated classified positions.....233.0	
25	Payments on behalf of tenants..... \$	66,000,000
26	Housing and rental assistance program--227.0 FTE	
27	positions.....	36,070,500

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1	Automatic data processing--6.0 FTE positions.....	862,500
2	Homeless program.....	<u>5,290,800</u>
3	GROSS APPROPRIATION..... \$	<u>108,223,800</u>
4	Appropriated from:	
5	Federal revenues:	
6	HUD, lower income housing assistance program.....	79,049,500
7	Special revenue funds:	
8	Michigan state housing development authority fees and	
9	charges.....	14,174,300
10	State general fund/general purpose..... \$	<u>15,000,000</u>
11	Sec. 110. TAX TRIBUNAL	
12	Full-time equated classified positions.....14.0	
13	Operations--14.0 FTE positions..... \$	<u>1,576,500</u>
14	GROSS APPROPRIATION..... \$	1,576,500
15	Appropriated from:	
16	Special revenue funds:	
17	Tax tribunal fees.....	605,500
18	State general fund/general purpose..... \$	971,000
19	Sec. 111. GRANTS	
20	Fire protection grants..... \$	<u>6,675,000</u>
21	GROSS APPROPRIATION..... \$	6,675,000
22	Appropriated from:	
23	Special revenue funds:	
24	Liquor purchase revolving fund.....	6,675,000
25	State general fund/general purpose..... \$	0
26	Sec. 112. HEALTH REGULATORY SYSTEMS	

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1	Full-time equated classified positions.....	341.0	
2	Health systems administration--195.0 FTE positions...	\$	26,993,600
3	Emergency medical services program state staff--10.0		
4	FTE positions.....		1,084,200
5	Radiological health administration and projects--24.0		
6	FTE positions.....		1,876,800
7	Substance abuse program administration--4.0 FTE		
8	positions.....		387,000
9	Emergency medical services grants and contracts.....		962,100
10	Health services--108.0 FTE positions.....		<u>11,875,400</u>
11	GROSS APPROPRIATION.....	\$	43,179,100
12	Appropriated from:		
13	Federal revenues:		
14	Federal funds.....		16,525,100
15	Special revenue funds:		
16	Controlled substance license fees.....		1,304,400
17	Health professions regulatory fund.....		10,121,000
18	Health systems fees and collections.....		3,722,300
19	Nurse professional fund.....		450,000
20	State general fund/general purpose.....	\$	11,056,300
21	Sec. 113. REGULATORY SERVICES		
22	Full-time equated classified positions.....	275.0	
23	AFC, children's welfare and day care licensure--275.0		
24	FTE positions.....	\$	<u>20,762,800</u>
25	GROSS APPROPRIATION.....	\$	20,762,800
26	Appropriated from:		

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1	Federal revenues:	
2	HHS, federal funds.....	8,618,500
3	Special revenue funds:	
4	Licensing fees.....	460,800
5	State general fund/general purpose..... \$	11,683,500
6	Sec. 114. OCCUPATIONAL REGULATION	
7	Full-time equated classified positions.....240.0	
8	Commissions and boards..... \$	41,900
9	Code enforcement--99.0 FTE positions.....	7,427,600
10	Code enforcement flexibility.....	632,100
11	Boiler inspection program--18.0 FTE positions.....	1,449,400
12	Elevator inspection program--23.0 FTE positions.....	1,740,800
13	Commercial services--100.0 FTE positions.....	<u>8,194,100</u>
14	GROSS APPROPRIATION..... \$	19,485,900
15	Appropriated from:	
16	Special revenue funds:	
17	Boiler fee revenue.....	1,588,100
18	Construction code fund.....	7,861,100
19	Elevator fees.....	1,842,600
20	Health professions regulatory fund.....	221,600
21	Homeowner construction lien recovery fund.....	1,528,900
22	Licensing and regulation fees.....	6,181,100
23	Real estate appraiser continuing education fund.....	45,000
24	Real estate education fund.....	217,500
25	State general fund/general purpose..... \$	0
26	Sec. 115. EMPLOYMENT RELATIONS	

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1	Full-time equated classified positions.....	28.0	
2	Fact finding and arbitration.....	\$	169,300
3	Employment and labor relations--28.0 FTE positions...		<u>2,792,300</u>
4	GROSS APPROPRIATION.....	\$	2,961,600
5	Appropriated from:		
6	Special revenue funds:		
7	Publication revenue.....		25,000
8	State general fund/general purpose.....	\$	2,936,600
9	Sec. 116. SAFETY AND REGULATION		
10	Full-time equated classified positions.....	276.0	
11	Commissions and boards.....	\$	27,700
12	Employment standards enforcement--38.0 FTE positions.		2,434,400
13	Subgrantees.....		1,026,900
14	Occupational safety and health--238.0 FTE positions..		<u>21,235,700</u>
15	GROSS APPROPRIATION.....	\$	24,724,700
16	Appropriated from:		
17	Federal revenues:		
18	DOL, multiple grants for safety and health.....		12,202,300
19	Special revenue funds:		
20	Fees and collections.....		694,200
21	Safety education and training fund.....		5,074,800
22	State general fund/general purpose.....	\$	6,753,400
23	Sec. 117. WORKER'S DISABILITY COMPENSATION		
24	Full-time equated classified positions.....	172.4	
25	Administration--119.0 FTE positions.....	\$	8,020,100
26	Board of magistrates administration--8.0 FTE		
27	positions.....		1,737,400

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1	Appellate commission administration--11.4 FTE	
2	positions.....	803,400
3	Supplemental benefit fund.....	1,500,000
4	Insurance funds administration--34.0 FTE positions...	10,146,300
5	Automatic data processing.....	506,000
6	Grant to the department of career development - hire	
7	the handicapped program.....	<u>50,000</u>
8	GROSS APPROPRIATION.....	\$ 22,763,200
9	Appropriated from:	
10	Special revenue funds:	
11	Second injury fund.....	6,456,300
12	Self-insurers' security fund.....	1,720,100
13	Silicosis and dust disease fund.....	2,525,900
14	Worker's compensation administrative revolving fund..	2,011,400
15	State general fund/general purpose.....	\$ 10,049,500
16	Sec. 118. UNEMPLOYMENT AGENCY	
17	Full-time equated classified positions.....1,519.0	
18	Worker's compensation.....	\$ 622,700
19	Rent.....	4,232,000
20	Building occupancy charges - property development	
21	service.....	2,071,300
22	Unemployment programs--1,441.7 FTE positions.....	91,345,500
23	Advocacy assistance program--8.0 FTE positions.....	1,516,500
24	Special audit and collections program--34.0 FTE	
25	positions.....	2,085,600
26	Training program for agency staff--2.1 FTE positions.	1,044,100

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1	Expanded fraud control program--33.2 FTE positions...	<u>2,378,500</u>
2	GROSS APPROPRIATION.....	\$ 105,296,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from family independence agency.....	3,911,700
6	Federal revenues:	
7	DOL, employment and training administration.....	500,000
8	DOL, unemployment insurance.....	88,423,500
9	Federal reed act funds.....	4,000,000
10	Special revenue funds:	
11	Contingent fund, penalty and interest account.....	8,461,000
12	State general fund/general purpose.....	\$ 0

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15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 GENERAL SECTIONS

18 Sec. 201. (1) Pursuant to section 30 of article IX of the state
19 constitution of 1963, total state spending from state sources for fiscal
20 year 1999-2000 is estimated at \$270,830,700.00 in this act and state
21 spending from state sources paid to local units of government for fiscal
22 year 1999-2000 is estimated at \$33,773,700.00. The itemized statement
23 below identifies appropriations from which spending to units of local
24 government will occur:

25 DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

26	Arts and cultural grants.....	\$ 20,848,700
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1	Fire protection grants.....	6,675,000
2	Liquor law enforcement.....	6,000,000
3	Local manufactured housing inspections.....	<u>250,000</u>
4	Total consumer and industry services..... \$	33,773,700

5 (2) If it appears to the principal executive officer of a department
6 or branch that state spending to local units of government will be less
7 than the amount that was projected to be expended under subsection (1),
8 the principal executive officer shall immediately give notice of the
9 approximate shortfall to the state budget director.

10 Sec. 202. As used in this appropriation act:

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

12 (b) "Department" means the department of consumer and industry
13 services.

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

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

17 (e) "DOL" means the United States department of labor.

18 (f) "DOL-OSHA" means the DOL occupational safety and health
19 administration.

20 (g) "DOT" means the United States department of transportation.

21 (h) "DOT-RSPA" means the DOT research and special programs
22 administration.

23 (i) "Fiscal agencies" means Michigan house fiscal agency and
24 Michigan senate fiscal agency.

25 (j) "FTE" means full-time equated.

26 (k) "HHS" means the United States department of health and human
27 services.

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1 (l) "HHS-HCFA" means the HHS health care financing administration.

2 (m) "HHS-SSA" means HHS social security administration.

3 (n) "HUD" means the United States department of housing and urban
4 development.

5 (o) "IDG" means interdepartmental grant.

6 (p) "MDEQ" means the Michigan department of environmental quality.

7 (q) "MDOT" means the Michigan department of transportation.

8 (r) "MIOSHA" means the Michigan occupational safety and health
9 administration.

10 (s) "NFAH" means the national foundation of the arts and the
11 humanities.

12 (t) "NFAH-NEA" means the NFAH national endowment for the arts.

13 Sec. 203. The expenditures and funding sources authorized under
14 this act are subject to the management and budget act, 1984 PA 431,
15 MCL 18.1101 to 18.1594.

16 Sec. 204. The department of civil service shall bill departments
17 and/or agencies at the end of the first fiscal quarter for the 1% charges
18 authorized by section 5 of article XI of the state constitution of 1963.
19 Payments shall be made for the total amount of the billing by the end of
20 the second fiscal quarter.

21 Sec. 205. Of the funds appropriated in part 1 that are in units
22 other than the grants unit, the department shall not provide grants to
23 local government agencies, institutions of higher education, or nonprofit
24 organizations unless the department provides notice of the grant to the
25 regulatory subcommittees of the house and senate appropriations commit-
26 tees at least 10 days before the grant is issued or at least 72 hours
27 before any announcement to local governmental units or the public.

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1 Sec. 206. The department of consumer and industry services shall
2 not permit any other department, agency, or office of this state to use
3 funds or FTE positions authorized for that department or allow any funds
4 or FTE positions from any other department, agency, or office to be used
5 within that department without a 30-day notice given to the regulatory
6 subcommittees of the house and senate appropriations committees.

7 Sec. 207. (1) Beginning October 1, 1999, a hiring freeze is imposed
8 on the state classified civil service. State departments and agencies
9 are prohibited from hiring any new full-time state classified civil serv-
10 ice employees or filling any vacant state classified civil service
11 position. This hiring freeze does not apply to internal transfers of
12 classified employees from 1 position to another within a department or to
13 positions that are funded with 80% or more federal or restricted funds.

14 (2) The state budget director shall grant exceptions to this hiring
15 freeze when the director believes that the hiring freeze will result in
16 the state department or agency being unable to deliver basic services.
17 The state budget director shall report by the fifteenth of each month to
18 the chairpersons of the house and senate appropriations committees the
19 number of exclusions to the hiring freeze approved during the previous
20 month and the justification for the exclusion.

21 Sec. 208. The department shall receive and retain copies of all
22 reports funded from part 1 appropriations.

23 Sec. 209. (1) In the expenditure of funds appropriated under this
24 act, the director of the department of consumer and industry services
25 shall take all reasonable steps to ensure that businesses in deprived and
26 depressed communities are given the opportunity to compete for and

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1 perform contracts to provide services or supplies, or both, for the
2 department.

3 (2) The director shall strongly encourage firms with which the
4 department contracts to subcontract with businesses in depressed and
5 deprived communities for services or supplies, or both.

6 Sec. 210. Money appropriated in part 1 shall not be used for the
7 purchase of foreign goods or services when competitively priced and of
8 comparable quality American goods or services are available. By May 1,
9 2000, the department shall submit a report to the department of manage-
10 ment and budget, the speaker and minority leader of the house of repre-
11 sentatives, the majority and minority leaders of the senate, and the
12 chairpersons of the house and senate appropriations committees on efforts
13 to comply with this section.

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

18 Sec. 212. (1) The department of management and budget and each
19 principal executive department and agency shall provide to the senate and
20 house of representatives standing committees on appropriations and the
21 senate and house fiscal agencies a monthly report on all personal service
22 contracts awarded without competitive bidding, pricing, or rate setting.
23 The notification shall include all of the following:

24 (a) The total dollar amount of the contract.

25 (b) The duration of the contract.

26 (c) The name of the vendor.

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1 (d) The type of service to be provided.

2 (2) For personal service contracts of \$100,000.00 or more, the
3 department of management and budget shall provide a monthly report on all
4 of the following:

5 (a) The total dollar amount of the contract.

6 (b) The duration of the contract.

7 (c) The name of the vendor.

8 (d) The type of service to be provided.

9 (3) The department of management and budget shall provide a monthly
10 listing of all bid requests or requests for proposal that were issued.

11 (4) Each principal executive department and agency shall provide a
12 monthly summary listing of information that identifies any authorizations
13 for personal service contracts that are provided to the department of
14 civil service pursuant to delegated authority granted to each principal
15 executive department and agency related to personal service contracts.

16 Sec. 213. Sixty days before beginning any effort to privatize, the
17 departments shall submit a complete project plan to the appropriate house
18 and senate appropriations subcommittees and the house and senate fiscal
19 agencies. The plan shall include the criteria under which the privatiza-
20 tion initiative will be evaluated. The evaluation shall be completed and
21 submitted to the appropriate house and senate appropriations subcommit-
22 tees and the house and senate fiscal agencies within 30 months.

23 Sec. 214. If a department enters into a personal services contract
24 with any temporary service agency or similar contractor that hires or
25 subcontracts with a person who retired from employment in the department
26 under the early retirement program under section 19f of the state
27 employees' retirement act, 1943 PA 240, MCL 38.19f, the retired state

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1 employee shall be limited to 500 hours for professional, technical, or
2 clerical services and 250 hours for management services. This limitation
3 does not apply to computer technology services.

4 Sec. 215. All reports required in this act shall be made available
5 to the public primarily through Internet access, unless a printed version
6 is requested. The department shall provide electronic notification to
7 all legislative offices for specific reports requested by the
8 legislature.

9 DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

10 Sec. 301. The appropriation in part 1 for fire protection grants
11 from the liquor purchase revolving fund shall be appropriated to cities,
12 villages, and townships with state-owned facilities for fire services,
13 instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to
14 141.956.

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

22 Sec. 303. The funds collected by the department from corporations
23 being liquidated pursuant to the insurance code of 1956, 1956 PA 218,
24 MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary
25 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 June 1, 2000 to the regulatory subcommittees of the house and senate
15 appropriations committees that states the amount of revenue received from
16 the sale of information.

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

23 Sec. 306. (1) The Michigan council for arts and cultural affairs in
24 the department shall administer the arts and cultural grants appropriated
25 in part 1. The council shall provide for fair and independent decisions
26 on arts and cultural grant requests based upon published criteria to
27 evaluate program quality. This criteria shall include a prohibition of

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1 art projects that include displays of human wastes on religious symbols,
2 displays of sex acts, and depictions of flag desecration. The council
3 shall seek to award grants on an equitable geographic basis to the extent
4 possible given the quality of grant applications received. Priority
5 shall be given to projects that serve multiple counties and that leverage
6 significant additional public and private investment. Counties, cities,
7 villages, townships, community foundations, and organizations may apply
8 for the following categories of grants:

9 (a) State arts anchor organizations that serve a statewide or
10 regional audience.

11 (b) Arts education programs, also known as the arts and learning
12 programs.

13 (c) Local arts programs.

14 (d) Arts organization development programs. These programs are
15 designed to encourage self-sufficiency in organizations. Grant awards
16 under this program are limited to 4 grant periods.

17 (e) Historical organizations and projects.

18 (f) Zoos.

19 (g) Publicly owned facilities, excluding stadiums used primarily for
20 professional sports events.

21 (h) Cultural and community organizations and projects.

22 (i) Art institutions.

23 (j) Symphony orchestras.

24 (k) Multicounty regional arts regranting and programming councils.

25 (l) Music education camps.

26 (m) Capital outlay projects.

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1 (2) Applications for arts and cultural grants shall be received by
2 the department, Michigan council for arts and cultural affairs, not later
3 than June 1, 2000.

4 (3) The appropriation for arts and cultural grants in part 1 and
5 disbursed under this section shall, at a minimum, be matched on an equal
6 dollar-for-dollar basis from local and private contributions paid and
7 received by each awardee receiving grants under this section. The
8 dollar-for-dollar match may include the reasonable value of services,
9 materials, and equipment as allowed under the federal internal revenue
10 code for charitable contributions subject also to the preapproval of such
11 a match by the Michigan council for arts and cultural affairs. The coun-
12 cil shall receive proof of the entire amount of the matching funds, serv-
13 ices, materials, or equipment by the end of the award period. The coun-
14 cil shall submit a report to the regulatory subcommittees of the house
15 and senate appropriations committees regarding those counties, cities,
16 villages, townships, community foundations, and organizations failing to
17 meet their matching requirements by the end of the award period.

18 (4) Before any amount appropriated for arts and cultural grants in
19 part 1 may be expended for a grant to eligible applicants for the pur-
20 poses in this section, the department shall execute a grant agreement
21 with each grantee. The grant agreement shall specify the criteria
22 included in this section with which the application complies. The grant
23 agreement shall include a list of the projects funded and the amount of
24 funds each subgrantee, if applicable, will receive for those projects. A
25 contract shall not be executed and dollars shall not be disbursed until 2
26 weeks after the regulatory subcommittees of the house and senate
27 appropriations committees have received a copy of the proposed contract.

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1 (5) By November 1, 1999, the department shall report to the
2 regulatory subcommittees of the house and senate appropriations commit-
3 tees on how the council intends to implement the provisions of this sec-
4 tion, including the process for evaluating organization quality and
5 efforts to achieve an equitable geographic distribution of grants.

6 (6) By not later than 1 month after the grant application deadline,
7 the department shall provide a list of all grant applications, by county,
8 to the regulatory subcommittees of the house and senate appropriations
9 committees. The department shall, at least 30 days before the award of
10 any grant, provide the regulatory subcommittees of the house and senate
11 appropriations committees a list of all proposed grant awardees.

12 (7) Counties, cities, villages, townships, community foundations,
13 and organizations receiving funds under this section shall provide the
14 following reports to the Michigan council for arts and cultural affairs
15 and to the regulatory subcommittees of the house and senate appropria-
16 tions committees:

17 (a) A final report covering the grant period and due within 30 days
18 after the end of the grant period indicating at least the following:

19 (i) Revenues and expenditures, indicating whether revenues are from
20 private donations or fees.

21 (ii) Number of employees.

22 (iii) Number of new hires.

23 (b) For awardees receiving grants greater than \$100,000.00, a copy
24 of the awardee's annual report and audit report for the fiscal year in
25 which the majority of the grant took place due within 90 days after the
26 end of the awardee's fiscal year. The audit report shall include an
27 audit of grant funds. A representative sampling of grant agreements

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1 shall be audited by the state auditor general. The audit report shall be
2 submitted to the regulatory subcommittees of the house and senate appro-
3 priations committees for review. These awardees shall also submit the
4 information in subdivision (a) on a quarterly basis for the immediately
5 preceding quarter due on January 7, 2000, April 7, 2000, July 7, 2000,
6 and October 7, 2000.

7 (8) The recipients of grant funds under this section shall be
8 announced by the department by September 15, 2000.

9 (9) A grant awarded under this section and the matching funds which
10 conferred eligibility for the grant award shall be used by the recipient
11 of the grant award and shall not be redistributed by that recipient to
12 any other entity unless specifically provided for in the grant agreement
13 between the funded grant awardee and the Michigan council for arts and
14 cultural affairs.

15 (10) The applicants for arts and cultural grant funds shall be
16 charged a nonrefundable application fee of \$100.00 or 1% of the grant,
17 whichever is less. The application fee may be used by the department to
18 recover direct and indirect costs as appropriated in part 1.

19 Sec. 307. The department may receive and expend contributions from
20 public, private, and federal sources, except state agencies, for the pur-
21 pose of acquiring or constructing art objects or promoting or preserving
22 the arts in or on state properties. Expenditures of any funds received
23 shall be consistent with the purposes of the Faxon-McNamee art in public
24 places act, 1980 PA 105, MCL 18.71 to 18.81. Any funds received under
25 this section are considered a work project account and may be carried
26 forward into the succeeding fiscal year.

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1 Sec. 308. The Michigan state housing development authority shall
2 annually present a report to the regulatory subcommittees of the house
3 and senate appropriations committees on the status of the authority's
4 housing production goals under all financing programs established or
5 administered by the authority. The report shall give special attention
6 to efforts to raise affordable multifamily housing production goals.

7 Sec. 309. The department shall assess and collect fees in the
8 licensing and regulation of child care organizations as defined in 1973
9 PA 116, MCL 722.111 to 722.128, and adult foster care facilities as
10 defined in the adult foster care facility licensing act, 1979 PA 218,
11 MCL 400.701 to 400.737. Fees collected by the department shall not
12 exceed the deducts in part 1 and shall be used exclusively for the pur-
13 pose of licensing and regulating child care organizations and adult
14 foster care facilities.

15 Sec. 310. The department may utilize revenue in excess of the
16 amount expended in part 1 for the safety education and training grant
17 program in the immediately succeeding fiscal year for the purpose of hon-
18 oring contracts negotiated before September 15, 1999. The amount of rev-
19 enue made available from revenue in excess of the amount expended in part
20 1 for an individual program shall not exceed 30% of the appropriated
21 funds. The director of the department shall report the amount and pur-
22 pose of any funds made available in the succeeding fiscal year under this
23 section to the regulatory subcommittees of the house and senate appropri-
24 ations committees, the house and senate fiscal agencies, and the depart-
25 ment of management and budget on or before November 15, 1999.

26 Sec. 311. The appropriation in part 1 for the department, bureau of
27 safety and regulation, safety education and training division, includes

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1 funding for on-site consultation and education and training programs.
2 The appropriation in part 1 anticipates that 90% of the on-site consulta-
3 tion program costs and 50% of the education and training program costs
4 will be supported by federal OSHA funds and the remaining 10% and 50%
5 respectively will be supported by safety education and training funds.
6 If federal OSHA funding does not become available to cover up to 90% of
7 the program costs for on-site consultation and 50% for education and
8 training, up to 50% of the program costs for on-site consultation and 90%
9 of the program costs for education and training may be paid from the
10 safety education and training fund as a match for available federal
11 funds.

12 Sec. 312. The funds collected by the department for licenses, per-
13 mits, and other elevator regulation fees set forth in R 408.8151 of the
14 Michigan administrative code and as determined under section 8 of 1976
15 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that
16 are unexpended at the end of the fiscal year shall carry forward to the
17 subsequent fiscal year. The department shall submit a report on an
18 annual basis to the regulatory subcommittees of the house and senate
19 appropriations committees on the amount of funds available under this
20 section.

21 Sec. 313. If the revenue collected by the department for occupa-
22 tional safety and health, health systems administration, or radiological
23 health administration and projects from fees and collections exceeds the
24 amount appropriated in part 1, the revenue may be carried forward into
25 the subsequent fiscal year. The revenue carried forward under this sec-
26 tion shall be used as the first source of funds in the subsequent fiscal
27 year.

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Sec. 314. Money appropriated under this act for fire safety programs 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
<u>Plan review and construction inspection fees for hospitals and schools</u>		
<u>Project cost range</u>		<u>Fee</u>
\$101,000.00 or less		minimum fee of \$125.00
\$101,001.00 to \$1,500,000.00		\$1.24 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00		\$0.90 per \$1,000.00
\$10,000,001.00 or more		\$0.70 per \$1,000.00
		or a maximum fee of \$50,000.00.

Sec. 315. The department shall furnish the clerk of the house, the secretary of the senate, and the members of the house and senate appropriations committees with any evaluation reports and subsequent approvals or disapprovals of juvenile residential facilities operated by the family independence agency, as required by 1973 PA 116, MCL 722.116. If no evaluations are conducted during the fiscal year, the department shall notify the subcommittee and the fiscal agencies.

Sec. 316. The department, in keeping with the severity of the allegations, shall investigate complaints alleging poor care and services occurring on nights or weekends in nursing homes, county medical care facilities, and hospital long-term care units by conducting on-site investigations on nights or weekends.

Sec. 317. If the revenue collected by the department from licensing and regulation fees exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The

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1 revenue carried forward under this section shall be used as the first
2 source of funds in the subsequent fiscal year.

3 Sec. 318. Funds earned or authorized by the United States depart-
4 ment of labor in excess of the gross appropriation in part 1 for the
5 Michigan unemployment agency from the United States department of labor
6 are appropriated and may be expended for staffing and related expenses
7 incurred in the operation of its programs. These funds may be spent
8 after the department notifies the regulatory subcommittees of the house
9 and senate appropriations committees of the purpose and amount of each
10 grant award.

11 Sec. 319. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$23,500,000.00 for federal
13 contingency funds. These funds are not available for expenditure until
14 they have been transferred to another line item in this act pursuant to
15 section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

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

22 (3) In addition to the funds appropriated in part 1, there is appro-
23 priated an amount not to exceed \$180,800.00 for local contingency funds.
24 These funds are not available for expenditure until they have been trans-
25 ferred to another line item in this act pursuant to section 393(2) of the
26 management and budget act, 1984 PA 431, MCL 18.1393.

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

6 Sec. 320. The department shall sell documents at a price not to
7 exceed the cost of production and distribution. Money received from the
8 sale of these documents shall revert to the department. The funds are
9 available for expenditure when they are received by the department of
10 treasury and may only be used for costs directly related to the continued
11 updating and distribution of the documents pursuant to this section.
12 This section applies only for the following documents:

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

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

18 (c) The Michigan liquor control code of 1998, 1998 PA 58,
19 MCL 436.1101 to 436.2303, with amendments.

20 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301 to
21 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to
22 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to
23 450.3192; and the uniform securities act, 1964 PA 265, MCL 451.501 to
24 451.818.

25 (e) Labor law books.

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

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

2 Sec. 321. As a condition of receiving this appropriation in part 1
3 for the nursing home quality incentive grants, the department shall
4 report to the house and senate appropriations subcommittees and fiscal
5 agencies on October 1, 1999 regarding the criteria for awarding these
6 grants.

7 Sec. 322. The department of consumer and industry services, health
8 regulatory systems, shall conduct a resident satisfaction survey that
9 will measure the satisfaction of residents and their families with the
10 care in nursing homes. This survey shall be completed by September 30,
11 2000.

12 Sec. 323. The department shall report to the appropriations subcom-
13 mittees and the fiscal agencies on March 1, 2000 and September 1, 2000 on
14 the initial and follow-up surveys conducted on all nursing homes in this
15 state. The report shall include all of the following information:

16 (a) The number of surveys conducted.

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

18 (c) The number referred to the Michigan public health institute for
19 remediation.

20 (d) The number of citations per home.

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

22 (f) the number of night and weekend responses to complaints con-
23 ducted by the department.

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

26 Sec. 324. The department shall develop an annual nursing home
27 quality incentive program. The purpose of the program will be to

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- 1 financially reward nursing homes that have delivered high quality nursing
- 2 care services.

Sec. 325. The department shall report by November 1, 1999 to the legislature and the fiscal agencies the status of the nursing home complaint investigation backlog and any suggested revisions to current statute or promulgated rules that will assist in improving the effectiveness of the nursing home survey and complaint investigation process.

Sec. 326. Of the funds appropriated for the Michigan state housing development authority, housing and rental assistance program, \$15,000,000.00 shall be provided for the urban homestead initiative contingent upon the United States department of housing and urban development block granting all funds currently allocated to Michigan.