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BILL ANALYSIS

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House Bill 4766 (Substitute H-1 as passed by the House)
Sponsor: Representative John Pastor
House Committee: Senior Health, Security and Retirement
Senate Committee: Health Policy

Date Completed: 9-21-04

CONTENT

The bill would amend the Public Health Code to do the following:

- Require a home for the aged seeking a license or a license renewal to have an emergency generator system.**
- Exempt a home for the aged that was licensed on the bill's effective date from the emergency generator system requirement until the home underwent major building modification; and require an exempt home for the aged to have an executed written contract for the use of a generator in the event of an electrical supply interruption.**
- Establish a civil penalty for a home for the aged that did not comply with the requirements described above.**
- Require a nursing home to have an emergency generator system.**

The bill would take effect six months after it was enacted.

Specifically, the bill would require a home for the aged seeking licensure or a renewal license to have, at a minimum, an emergency generator system that, during an interruption of the normal electrical supply, was capable of both of the following:

- Providing at least four hours of service.
- Generating enough power to provide lighting at all entrances and exits and to operate equipment to maintain fire detection, alarm, and extinguishing systems; telephone switchboards; heating plant controls; and other critical mechanical equipment essential to the safety and welfare of the residents, personnel, and visitors.

A home for the aged that was licensed on the bill's effective date would not be required to comply with the emergency generator system requirement until the home underwent major building modification. For the purpose of this requirement, "major building modification" would mean an alteration of walls that created a new architectural configuration or revision to the mechanical or electrical systems that significantly revised the design of the system or systems. The term would not include normal building maintenance, repair, or replacement with equivalent components or a change in room function.

A home for the aged that was exempt would have to have, at a minimum, an executed written contract for the use of a generator in the event of an interruption in the normal power supply until it underwent major building modification, and would have to notify the local medical control authority and the local law enforcement agency that it did not have an

emergency generator on site. A copy of the contract would have to be given to the Family Department of Community Health (DCH) upon request. The DCH would have to develop clear and uniform rules to be used in determining what constituted an acceptable contract. The DCH could promulgate additional rules for the operation and maintenance of an emergency electrical system in a home for the aged.

A home for the aged that failed to comply with the bill would be subject to a maximum civil penalty of \$2,000 for each violation. Each day a violation continued would be a separate offense and the home would have to be assessed a civil penalty of at least \$500 for each day the failure continued.

The bill also would require a licensed nursing home to have, at a minimum, an emergency generator system that complied with existing State and Federal law, including State and Federal rules and regulations. A nursing home that failed to comply with this requirement would be subject to a civil penalty as provided under existing State and Federal law, including rules and regulations.

MCL 333.21435 & 333.21735

Legislative Analyst: Julie Koval

FISCAL IMPACT

Nursing homes currently are required to have emergency generators by Federal and State laws and regulations, so there would be no State or local fiscal impact from the nursing home provision, even for county-owned nursing homes. Homes for the aged have residents whose costs are paid by the State, but such homes are not directly financed by the State. Therefore, a requirement that such homes have emergency generators available would not affect State expenditures. The provision establishing an initial fine of \$2,000 for violations and \$500 for each day the violation continued would increase State revenue to the extent that fines were imposed.

Fiscal Analyst: Steve Angelotti

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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.