

**EXECUTIVE REORGANIZATION ORDER (EXCERPT)**  
**E.R.O. No. 1990-1**

**418.2 Transfer of workers' compensation administrative rules functions to department of labor.**

WHEREAS, section 315 of Act 103 of the Public Acts of 1985, being section 418.315 of the Michigan Compiled Laws, establishes a program in the Department of Management and Budget, to constrain increases in related workers' compensation costs; and

WHEREAS, the Department of Management and Budget has promulgated rules required under subsection 315(2) relating to all fees and charges for treatment, attendance, service, devices, apparatus, or medicine under subsection 315(1); and

WHEREAS, by Executive Order 1986-8 (see also: Executive Reorganization Order 1986-3), the conduct of hearings pursuant to subsection 316(7) was transferred to the Bureau of Workers' Disability Compensation within the Department of Labor; and

WHEREAS, the Bureau of Workers' Disability Compensation oversees the general operation of the workers' compensation system in Michigan and regularly communicates with employers, insurance carriers, and workers' representatives on a variety of issues concerning workers' disability compensation; and

WHEREAS, the workers' compensation health care rules are an integral part of the workers' compensation system in Michigan and interrelate with other functions assigned to the Bureau of Workers' Disability Compensation; and

WHEREAS, it is in the public interest to eliminate duplication and to increase the State's efficiency and effectiveness of services; and

WHEREAS, Act 205 of the Public Acts of 1990 shifts appropriations for workers' compensation administrative rule functions from the Department of Management and Budget to the Bureau of Workers' Disability Compensation within the Department of Labor; and

WHEREAS, Article V, section 2, of the Michigan Constitution of 1963 empowers the governor to make changes in the organization of the Executive Branch or assignment of functions among its units which are necessary for efficient administration.

NOW, THEREFORE, I, JAMES J. BLANCHARD, Governor of the State of Michigan, pursuant to the authority vested in me by the Michigan Constitution of 1963 and the laws of the State of Michigan, do hereby Order the following:

All statutory authority, powers, duties, functions, and responsibilities of the Department of Management and Budget pursuant to subsections (2), (3), (4), (5), (6), (7), (8), and (9) of Section 315 of Act No. 103 of the Public Acts of 1985, being subsections (2), (3), (4), (5), (6), (7), (8), and (9) of Section 418.315 of the Compiled Laws of 1985, are hereby transferred to the Bureau of Workers' Disability Compensation within the Department of Labor.

All records, property, personnel and unexpended balances of appropriations, allocations and other funds used, held, employed, available, or to be made available to the Department of Management and Budget, for any of the functions transferred herein are also transferred to the Bureau of Workers' Disability Compensation within the Department of Labor.

After the effective date of this Order, the Department of Management and Budget and the Bureau of Workers' Disability Compensation within the Department of Labor shall make internal organization changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order. It is intended, however, that the personnel changes authorized by this Order shall be achieved without adversely affecting the existing rights and interests of individual employees.

In fulfillment of the requirements of Article V, section 2, of the Constitution of the State of Michigan, the provisions of this Executive Order shall become effective on October 1, 1990.

**History:** 1990, E.R.O. No. 1990-1, Eff. Oct. 1, 1990.

**Administrative rules:** R 418.10104 et seq. of the Michigan Administrative Code.