

**SUBSTITUTE FOR
HOUSE BILL NO. 5592**

A bill to make appropriations for the departments of consumer and industry services and Michigan jobs commission and certain other state purposes for the fiscal year ending September 30, 1999; 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 departments of consumer and industry services and Michigan jobs
5 commission, subject to the conditions set forth in this act, for the

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For Fiscal Year Ending
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1 fiscal year ending September 30, 1999, from the funds identified in this
2 part. The following is a summary of the appropriations in this part:

3 TOTAL REGULATORY

4 APPROPRIATION SUMMARY:

5	Full-time equated unclassified positions.....	72.5
6	Full-time equated classified positions.....	[5,531.0]
7	GROSS APPROPRIATION.....	\$ [1,038,245,300]
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers.....	9,799,300
11	ADJUSTED GROSS APPROPRIATION.....	\$ [1,028,446,000]
12	Federal revenues:	
13	Total federal revenues.....	634,421,100
14	Special revenue funds:	
15	Total local revenues.....	10,867,900
16	Total private revenues.....	3,922,700
17	Total other state restricted revenues.....	[191,441,800]
18	State general fund/general purpose.....	\$ [187,792,500]

19 Sec. 102. DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

20 (1) APPROPRIATION SUMMARY:

21	Full-time equated unclassified positions.....	64.5
22	Full-time equated classified positions.....	[4,173.0]
23	GROSS APPROPRIATION.....	\$ [468,388,100]
24	Interdepartmental grant revenues:	

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1	Total interdepartmental grants and intradepartmental	
2	transfers.....	4,675,300
3	ADJUSTED GROSS APPROPRIATION.....	\$ [463,712,800]
4	Federal revenues:	
5	Total federal revenues.....	197,833,500
6	Special revenue funds:	
7	Total private revenues.....	920,700
8	Total other state restricted revenues.....	[186,532,700]
9	State general fund/general purpose.....	\$ [78,425,900]
10	(2) EXECUTIVE DIRECTION	
11	Full-time equated unclassified positions.....	64.5
12	Full-time equated classified positions.....	73.0
13	Department director.....	\$ 101,400
14	Insurance commissioner.....	85,500
15	Financial institutions bureau commissioner.....	85,500
16	Public service commission chairperson.....	85,500
17	Public service commissioners.....	163,400
18	Tax tribunal chairperson.....	85,500
19	Tax tribunal members.....	415,800
20	Liquor control commission chairperson.....	77,700
21	Liquor control commissioners.....	272,800
22	Director - office of urban programs.....	97,700
23	Michigan employment relations commission chairperson.	34,100
24	Michigan employment relations commissioners.....	54,800
25	Worker's disability compensation director.....	81,500
26	Appellate commission chairperson.....	79,500

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1	Appellate commissioners.....	454,500
2	Board of magistrates chairperson.....	79,500
3	Board of magistrates members.....	2,196,800
4	MES board of review chairperson.....	69,200
5	MES board of review members.....	239,600
6	Unemployment agency director.....	83,000
7	Executive director programs--43.0 FTE positions.....	3,400,100
8	Policy development--9.0 FTE positions.....	1,199,700
9	Utility consumer representation.....	800,000
10	Regulatory efficiency improvements/backlog reduction	
11	initiative.....	750,000
12	MES board of review program--21.0 FTE positions.....	1,446,500
13	Cable television advertising.....	500,000
14	Contractual services, supplies, and materials.....	<u>417,500</u>
15	GROSS APPROPRIATION.....	\$ 13,357,100
16	Appropriated from:	
17	Federal revenues:	
18	DOL-ETA, unemployment insurance.....	1,962,900
19	DOL-multiple grants for safety and health.....	142,900
20	Special revenue funds:	
21	Private-college work-study.....	25,000
22	Bank fees.....	150,700
23	Boiler fee revenue.....	51,400
24	Construction code fund.....	445,700
25	Consumer finance fees.....	30,400
26	Corporations and securities fees.....	82,600

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1	Credit union fees.....	67,100
2	Elevator fees.....	59,900
3	Fees and collections.....	61,200
4	Health professions regulatory fund.....	2,065,600
5	Insurance regulatory fees.....	246,400
6	Licensing and regulation fees.....	920,000
7	Liquor purchase revolving fund.....	956,800
8	Michigan state housing development authority fees and	
9	charges.....	225,900
10	Manufactured housing commission fees.....	25,700
11	Motor carrier fees.....	19,300
12	Public utility assessments.....	454,100
13	Safety education and training fund.....	142,400
14	Second injury fund.....	24,300
15	Self-insurers' security fund.....	6,400
16	Silicosis and dust disease fund.....	9,400
17	Utility consumer representation fund.....	800,000
18	Worker's compensation administrative revolving fund..	20,200
19	Other state restricted revenue.....	21,800
20	State general fund/general purpose..... \$	4,339,000
21	(3) COUNCIL FOR ARTS AND CULTURAL AFFAIRS	
	[Full-time equated classified positions.....9.0]	
	[Administration--9.0 FTE positions..... \$	829,100]
22	Arts and cultural grants.....	<u>21,548,700</u>
23	GROSS APPROPRIATION..... \$	[22,377,800]
24	Appropriated from:	
25	Federal revenues:	
26	NFAH-NEA, promotion of the arts, state and regional	
27	programs.....	700,000

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1	State general fund/general purpose.....	\$	[21,677,800]
2	(4) FIRE SAFETY		
3	Full-time equated classified positions.....	50.0	
4	Office of fire safety--50.0 FTE positions.....	\$	3,422,800
5	Contractual services, supplies, and materials.....		<u>417,600</u>
6	GROSS APPROPRIATION.....	\$	3,840,400
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG-DCH, inspection contract.....		106,000
10	Federal revenues:		
11	HHS-HCFA, Medicare supplementary medical insurance...		550,300
12	HHS-HCFA, state survey and certification of health		
13	care providers, Medicaid.....		550,300
14	Special revenue funds:		
15	Fire alarm regulation fees.....		159,500
16	Fire service fees.....		1,330,800
17	State general fund/general purpose.....	\$	1,143,500
18	(5) MANAGEMENT SERVICES		
19	Full-time equated classified positions.....	173.0	
20	Administrative services--70.0 FTE positions.....	\$	4,596,600
21	Technology support--103.0 FTE positions.....		6,816,700
22	Insurance automation.....		750,000
23	Health services information systems.....		750,000
24	Rent.....		5,363,000
25	Building occupancy charges - property development		
26	services.....		4,581,700

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1	Worker's compensation.....	1,018,600
2	Special project advances.....	740,000
3	Contractual services, supplies, and materials.....	<u>5,553,000</u>
4	GROSS APPROPRIATION..... \$	30,169,600
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDT insurance bureau.....	509,300
8	Federal revenues:	
9	DOL-ETA, unemployment insurance.....	251,600
10	DOL, multiple grants for safety and health.....	636,800
11	Federal funds.....	772,000
12	HHS, federal funds.....	199,000
13	Special revenue funds:	
14	Private-college work-study.....	25,100
15	Private-special project advances.....	740,000
16	Bank fees.....	326,300
17	Boiler fee revenue.....	149,100
18	Construction code fund.....	1,007,200
19	Consumer finance fees.....	124,000
20	Corporations and securities fees.....	1,698,000
21	Credit union fees.....	220,200
22	Elevator fees.....	250,500
23	Fees and collections.....	174,500
24	Health professions regulatory fund.....	3,523,200
25	Insurance regulatory fees.....	1,617,400
26	Licensing and regulation fees.....	1,776,200

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1	Liquor purchase revolving fund.....	5,772,500
2	Michigan state housing development authority fees and	
3	charges.....	994,700
4	Manufactured housing commission fees.....	82,000
5	Motor carrier fees.....	195,200
6	Public utility assessments.....	2,541,500
7	Safety education and training fund.....	296,400
8	Second injury fund.....	43,100
9	Self-insurers' security fund.....	11,400
10	Silicosis and dust disease fund.....	16,600
11	Worker's compensation administrative revolving fund..	936,100
12	Other state restricted revenue.....	50,400
13	State general fund/general purpose..... \$	5,229,300
14	(6) FINANCIAL SERVICES AND CORPORATIONS	
15	Full-time equated classified positions.....385.0	
16	Manufactured housing commission, per diem \$50.00..... \$	7,800
17	Manufactured housing and land resources program--16.0	
18	FTE positions.....	1,478,700
19	Corporate services--64.0 FTE positions.....	4,282,500
20	Investment oversight--31.0 FTE positions.....	2,394,200
21	Local manufactured housing communities inspections...	250,000
22	Property development group--13.0 FTE positions.....	1,223,200
23	Remonumentation grants.....	4,500,000
24	Financial institutions administration--18.0 FTE	
25	positions.....	1,204,900
26	Bank regulation--50.0 FTE positions.....	4,838,600

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1	Credit union regulation--33.0 FTE positions.....	2,760,700
2	Financial institutions consumer protection--18.0 FTE	
3	positions.....	1,361,500
4	Financial institutions research and consumer	
5	services--5.0 FTE positions.....	308,300
6	Federal regulatory projects.....	50,600
7	Financial institutions corporate regulatory	
8	services--9.0 FTE positions.....	674,300
9	Insurance bureau administration--22.0 FTE positions..	1,817,800
10	Insurance financial standards--49.0 FTE positions....	7,198,200
11	Insurance licensing and enforcement--30.0 FTE	
12	positions.....	1,887,500
13	Insurance market standards and consumer services--	
14	27.0 FTE positions.....	2,362,700
15	Contractual services, supplies, and materials.....	<u>2,668,700</u>
16	GROSS APPROPRIATION..... \$	41,270,200
17	Appropriated from:	
18	Federal revenues:	
19	Federal regulatory project revenues.....	50,600
20	Special revenue funds:	
21	Private-college work-study.....	10,100
22	Private-travel funds.....	5,900
23	Bank fees.....	5,805,700
24	Certification and copying fees.....	2,127,500
25	Consumer finance fees.....	1,905,600
26	Corporations and securities fees.....	5,145,900

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1	Credit union fees.....	3,880,300
2	Insurance regulatory fees.....	10,839,400
3	Insurance continuing education fees.....	532,400
4	Land sales fees.....	50,600
5	Insurance licensing and regulation fees.....	3,015,500
6	Limited liability partnership revenue.....	10,000
7	Manufactured housing commission fees.....	1,911,500
8	Multiple employer welfare arrangement.....	131,900
9	Property development fees.....	225,200
10	Remonumentation fees.....	5,064,500
11	State general fund/general purpose..... \$	557,600
12	(7) PUBLIC SERVICE COMMISSION	
13	Full-time equated classified positions.....161.0	
14	Administration, planning and regulation--161.0 FTE	
15	positions..... \$	15,811,900
16	Contractual services, supplies, and materials.....	<u>2,466,700</u>
17	GROSS APPROPRIATION..... \$	18,278,600
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG-MDEQ.....	200,000
21	Federal revenues:	
22	DOE-OEERE, multiple grants.....	2,477,900
23	DOT-RSPA, gas pipeline safety.....	208,200
24	Special revenue funds:	
25	Private-Great Lakes governors council.....	46,000
26	Motor carrier fees.....	1,730,900

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1	Public utility assessments.....	13,615,600
2	State general fund/general purpose..... \$	0
3	(8) LIQUOR CONTROL COMMISSION	
4	Full-time equated classified positions.....	183.0
5	Management support services--43.0 FTE positions..... \$	2,531,800
6	Liquor licensing and enforcement--140.0 FTE positions	9,205,700
7	Liquor law enforcement grants.....	6,000,000
8	Grant to department of agriculture for wine industry	
9	council.....	424,100
10	Contractual services, supplies, and materials.....	<u>1,059,500</u>
11	GROSS APPROPRIATION..... \$	19,221,100
12	Appropriated from:	
13	Special revenue funds:	
14	Liquor license revenue.....	10,609,800
15	Liquor purchase revolving fund.....	8,187,200
16	Nonretail liquor license revenue.....	424,100
17	State general fund/general purpose..... \$	0
18	(9) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
19	Full-time equated classified positions.....	234.0
20	Payments on behalf of tenants..... \$	66,000,000
21	Housing and rental assistance program--228.0 FTE	
22	positions.....	19,842,300
23	Automatic data processing--6.0 FTE positions.....	645,300
24	Homeless program.....	5,290,800
25	Contractual services, supplies, and materials.....	<u>722,300</u>
26	GROSS APPROPRIATION..... \$	92,500,700

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1	Appropriated from:	
2	Federal revenues:	
3	HUD, lower income housing assistance program.....	78,790,200
4	Special revenue funds:	
5	Michigan state housing development authority fees and	
6	charges.....	13,710,500
7	State general fund/general purpose..... \$	0
8	(10) TAX TRIBUNAL	
9	Full-time equated classified positions.....14.0	
10	Operations--14.0 FTE positions..... \$	905,400
11	Contractual services, supplies, and materials.....	<u>621,000</u>
12	GROSS APPROPRIATION..... \$	1,526,400
13	Appropriated from:	
14	Special revenue funds:	
15	Tax tribunal fees.....	586,300
16	State general fund/general purpose..... \$	940,100
17	(11) GRANTS	
18	Fire protection grants..... \$	<u>[6,675,000]</u>
19	GROSS APPROPRIATION..... \$	[6,675,000]
20	Appropriated from:	
21	Special revenue funds:	
22	Liquor purchase revolving fund.....	[6,675,000]
23	State general fund/general purpose..... \$	0
24	(12) HEALTH REGULATORY SYSTEMS	
25	Full-time equated classified positions.....367.6	
26	Health systems administration--196.6 FTE positions... \$	14,696,600

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1	Clinical laboratory improvement--6.0 FTE positions...	962,200
2	Emergency medical services program state staff--10.0	
3	FTE positions.....	770,700
4	Health facilities management information system.....	568,400
5	Radiological health administration and projects--24.0	
6	FTE positions.....	1,695,800
7	Substance abuse program administration--4.0 FTE	
8	positions.....	349,800
9	Emergency medical services grants and contracts.....	962,100
10	Licensing, monitoring and accreditation--24.0 FTE	
11	positions.....	1,497,500
12	Health services--103.0 FTE positions.....	8,224,700
13	Contractual services, supplies, and materials.....	<u>4,327,600</u>
14	GROSS APPROPRIATION..... \$	34,055,400
15	Appropriated from:	
16	Federal revenues:	
17	Federal funds.....	11,275,300
18	Special revenue funds:	
19	Private-local northeast regional dentistry board.....	18,100
20	Private-college work-study.....	25,500
21	Controlled substance license fees.....	1,271,900
22	Health professions regulatory fund.....	9,601,700
23	Nurse professional fund.....	450,000
24	Fees and collections.....	2,266,300
25	Other state restricted revenue.....	1,314,100
26	State general fund/general purpose..... \$	7,832,500

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1	(13) REGULATORY SERVICES		
2	Full-time equated classified positions.....	280.0	
3	AFC, children's welfare and day care licensure--	280.0	
4	FTE positions.....	\$	18,552,900
5	Contractual services, supplies, and materials.....		<u>1,089,300</u>
6	GROSS APPROPRIATION.....	\$	19,642,200
7	Appropriated from:		
8	Federal revenues:		
9	HHS, federal funds.....		1,764,100
10	Special revenue funds:		
11	Licensing fees.....		443,000
12	State general fund/general purpose.....	\$	17,435,100
13	(14) OCCUPATIONAL REGULATION		
14	Full-time equated classified positions.....	235.0	
15	Commissions and boards.....	\$	41,900
16	Code enforcement--86.0 FTE positions.....		5,794,100
17	Code enforcement flexibility.....		585,800
18	Barrier free design program--6.0 FTE positions.....		364,900
19	Administration--7.0 FTE positions.....		623,800
20	Boiler inspection program--18.0 FTE positions.....		1,330,000
21	Elevator inspection program--23.0 FTE positions.....		1,643,500
22	Commercial services--95.0 FTE positions.....		6,441,300
23	Contractual services, supplies, and materials.....		<u>1,770,800</u>
24	GROSS APPROPRIATION.....	\$	18,596,100
25	Appropriated from:		
26	Special revenue funds:		

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1	Private-college work-study.....	25,000
2	Real estate education fund.....	351,800
3	Real estate appraiser continuing education fund.....	45,000
4	Licensing and regulation fees.....	5,569,100
5	Homeowner construction lien recovery fund.....	1,528,900
6	Health professions regulatory fund.....	212,100
7	Boiler fee revenue.....	1,526,500
8	Construction code fund.....	7,565,500
9	Elevator fees.....	1,772,200
10	State general fund/general purpose..... \$	0
11	(15) EMPLOYMENT RELATIONS	
12	Full-time equated classified positions.....28.0	
13	Fact finding and arbitration..... \$	169,300
14	Employment and labor relations--28.0 FTE positions...	2,618,500
15	Contractual services, supplies, and materials.....	<u>68,200</u>
16	GROSS APPROPRIATION..... \$	2,856,000
17	Appropriated from:	
18	Special revenue funds:	
19	Publication revenue.....	25,000
20	State general fund/general purpose..... \$	2,831,000
21	(16) SAFETY AND REGULATION	
22	Full-time equated classified positions.....284.0	
23	Commissions and boards..... \$	27,700
24	Employment standards enforcement--38.0 FTE positions.	2,194,000
25	Subgrantees.....	1,026,900
26	Occupational safety and health--246.0 FTE positions..	18,866,200

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1	Contractual services, supplies, and materials.....	<u>1,633,300</u>
2	GROSS APPROPRIATION..... \$	23,748,100
3	Appropriated from:	
4	Federal revenues:	
5	DOL, multiple grants for safety and health.....	11,804,600
6	Special revenue funds:	
7	Fees and collections.....	671,300
8	Safety education and training fund.....	4,755,600
9	State general fund/general purpose..... \$	6,516,600
10	(17) WORKER'S DISABILITY COMPENSATION	
11	Full-time equated classified positions.....172.4	
12	Administration--119.0 FTE positions..... \$	7,258,100
13	Board of magistrates administration--8.0 FTE	
14	positions.....	1,246,300
15	Appellate commission administration--11.4 FTE	
16	positions.....	716,700
17	Supplemental benefit fund.....	1,700,000
18	Insurance funds administration--34.0 FTE positions...	7,491,700
19	Automatic data processing.....	506,000
20	Grant to Michigan jobs commission, hire the handi-	
21	capped program.....	50,000
22	Contractual services, supplies, and materials.....	<u>3,510,200</u>
23	GROSS APPROPRIATION..... \$	22,479,000
24	Appropriated from:	
25	Special revenue funds:	
26	Second injury fund.....	6,404,900

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1	Self-insurers' security fund.....	1,706,600
2	Silicosis and dust disease fund.....	2,506,100
3	Worker's compensation administrative revolving fund..	1,938,000
4	State general fund/general purpose..... \$	9,923,400
5	(18) UNEMPLOYMENT AGENCY	
6	Full-time equated classified positions.....1,524.0	
7	Worker's compensation..... \$	453,700
8	Rent.....	4,232,000
9	Building occupancy charges - property development	
10	service.....	1,656,300
11	Unemployment program--1,441.7 FTE positions.....	66,119,100
12	Advocacy assistance program--4.0 FTE positions.....	412,000
13	Special audit and collections program--43.0 FTE	
14	positions.....	1,896,200
15	Special fraud control program--18.0 FTE positions....	1,213,500
16	Testing program for agency staff--2.1 FTE positions..	214,200
17	Fraud control and investigations program--15.2 FTE	
18	positions.....	1,079,700
19	Contractual services, supplies, and materials.....	<u>20,517,700</u>
20	GROSS APPROPRIATION..... \$	97,794,400
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from family independence agency.....	3,860,000
24	Federal revenues:	
25	DOL, unemployment insurance.....	85,196,800
26	DOL-ETA.....	500,000

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1	Special revenue funds:	
2	Contingent fund, penalty and interest account.....	8,237,600
3	State general fund/general purpose.....	\$ 0
4	Sec. 103. DEPARTMENT OF MICHIGAN JOBS COMMISSION	
5	(1) APPROPRIATION SUMMARY:	
6	Full-time equated unclassified positions.....	8.0
7	Full-time equated classified positions.....	1,358.0
8	GROSS APPROPRIATION.....	\$ 569,857,200
9	Interdepartmental grant revenues:	
10	Total interdepartmental grants and intradepartmental	
11	transfers.....	5,124,000
12	ADJUSTED GROSS APPROPRIATION.....	\$ 564,733,200
13	Federal revenues:	
14	Total federal revenues.....	436,587,600
15	Special revenue funds:	
16	Total local revenues.....	10,867,900
17	Total private revenues.....	3,002,000
18	Total other state restricted revenue.....	4,909,100
19	State general fund/general purpose.....	\$ 109,366,600
20	(2) DEPARTMENTAL ADMINISTRATION	
21	Full-time equated unclassified positions.....	8.0
22	Full-time equated classified positions.....	16.0
23	CEO & department director.....	\$ 105,600
24	Chief operating officer.....	95,600

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1	Director, travel Michigan.....	76,100
2	Michigan business ombudsman.....	83,900
3	Clean air ombudsman.....	56,400
4	Senior director for business development.....	84,600
5	Director, international & national business develop-	
6	ment and VP, Michigan strategic fund.....	76,900
7	President, Michigan strategic fund.....	68,700
8	Executive direction--16.0 FTE positions.....	950,700
9	K.I. Sawyer base conversion authority.....	450,000
10	Contractual services, supplies, and materials.....	<u>230,000</u>
11	GROSS APPROPRIATION..... \$	2,278,500
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG-MDEQ, air quality fees.....	56,400
15	State general fund/general purpose..... \$	2,222,100
16	(3) DEPARTMENT OPERATIONS	
17	Full-time equated classified positions.....80.0	
18	Administrative services--80.0 FTE positions..... \$	4,681,100
19	Rent.....	1,649,300
20	Building occupancy charges - property development	
21	services.....	562,600
22	Worker's compensation.....	259,900
23	Special project advances.....	700,000
24	Contractual services, supplies, and materials.....	<u>720,000</u>
25	GROSS APPROPRIATION..... \$	8,572,900
26	Appropriated from:	

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1	Federal revenues:	
2	DED-OSERS, client assistance for individuals with	
3	disabilities.....	11,300
4	DED-OSERS, rehabilitation services, vocational reha-	
5	bilitation, state grants.....	1,269,800
6	DOL-ETA, job training partnership grants.....	417,700
7	DED, cooperative demonstration, school-to-work.....	150,500
8	HHS, temporary assistance for needy families.....	253,000
9	Special revenue funds:	
10	Private-special project advances.....	700,000
11	State general fund/general purpose..... \$	5,770,600
12	(4) ECONOMIC RETENTION AND EXPANSION	
13	Full-time equated classified positions.....229.0	
14	International and national business development--30.0	
15	FTE positions..... \$	2,174,800
16	Travel administration/travel commission--27.0 FTE	
17	positions.....	1,654,300
18	Michigan promotion program.....	7,492,500
19	Job creation services--121.0 FTE positions.....	9,139,600
20	Welcome centers--51.0 FTE positions.....	2,778,600
21	Contractual services, supplies, and materials.....	<u>10,072,000</u>
22	GROSS APPROPRIATION..... \$	33,311,800
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG-MDEQ, air quality fees.....	42,000
26	IDG-MDOT, state trunkline fund.....	3,978,600

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1	Federal revenues:	
2	DOL-NOICC.....	166,800
3	HUD-CPD, community development block grant.....	1,868,000
4	Special revenue funds:	
5	Private-Michigan certified development corporation	
6	fees.....	151,200
7	Industry support fees.....	50,000
8	State general fund/general purpose..... \$	27,055,200
9	(5) WORKFORCE DEVELOPMENT	
10	Full-time equated classified positions.....686.0	
11	Employment training services--591.0 FTE positions.... \$	46,647,600
12	Michigan career and technical institute--95.0 FTE	
13	positions.....	6,792,500
14	Contractual services, supplies, and materials.....	<u>18,000,000</u>
15	GROSS APPROPRIATION..... \$	71,440,100
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG-MDOC.....	31,400
19	Federal revenues:	
20	CNS.....	505,000
21	DAG, employment and training.....	248,700
22	DED-OPSE, multiple grants.....	999,500
23	DED-OSERS, centers for independent living.....	56,500
24	DED-OSERS, rehabilitation long-term training.....	320,200
25	DED-OSERS, rehabilitation services, vocational	
26	rehabilitation, state grants.....	39,546,600

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1	DED-OSERS, state grants for technology-related	
2	assistance to individuals with disabilities.....	54,000
3	DED, cooperative demonstration, school-to-work.....	1,202,400
4	DOL-ETA, job training partnership act.....	5,818,100
5	DOL-ETA, welfare-to-work.....	600,000
6	DOL-ETA, multiple grants.....	570,000
7	HHS-SSA, supplemental security income.....	4,061,700
8	HHS, temporary assistance for needy families.....	2,245,700
9	Special revenue funds:	
10	Local vocational rehabilitation match.....	3,152,200
11	Private-gifts, bequests, and donations.....	1,350,800
12	Rehabilitation services fees.....	1,884,800
13	Risk management internal service fund.....	99,700
14	Second injury fund.....	50,000
15	Student fees.....	44,700
16	Training material fees.....	249,600
17	State general fund/general purpose..... \$	8,348,500
18	(6) DEPARTMENTAL GRANTS	
19	Job training programs subgrantees..... \$	119,426,200
20	Michigan community service commission subgrantees....	5,900,000
21	Displaced homemakers.....	470,000
22	Supported employment grants.....	1,308,600
23	Technology assistance grants.....	1,026,600
24	Vocational rehabilitation client services/facilities.	50,164,000
25	Vocational rehabilitation independent living.....	4,177,700
26	Personal assistance services.....	400,000

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1	School-to-work subgrantees.....	10,680,900
2	Trade academy grants.....	344,700
3	Economic development job training grants.....	28,000,000
4	Welfare-to-work programs.....	135,220,300
5	CDBG pass-through.....	45,000,000
6	Precollege programs in engineering and the sciences..	500,000
7	Grant to department of natural resources, Michigan	
8	civilian conservation corps.....	1,000,000
9	Transportation grants for welfare-to-work.....	<u>1,000,000</u>
10	GROSS APPROPRIATION.....	\$ 404,619,000
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG-MDOC.....	1,015,600
14	Federal revenues:	
15	CNS.....	4,500,000
16	DAG, employment and training.....	8,041,300
17	DED-OSERS, centers for independent living.....	525,000
18	DED-OSERS, client assistance for individuals with	
19	disabilities.....	360,600
20	DED-OSERS, rehabilitation services facilities.....	2,272,500
21	DED-OSERS, rehabilitation services, vocational reha-	
22	bilitation, state grants.....	34,995,200
23	DED-OSERS, supported employment.....	1,308,600
24	DED-OSERS, state grants for technology-related	
25	assistance to individuals with disabilities.....	1,026,600
26	DED, cooperative demonstration, school-to-work.....	10,680,900

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1	DOL-ETA, job training partnership act.....	113,980,600
2	DOL-ETA, welfare-to-work.....	19,400,000
3	DOL-ETA, multiple grants.....	4,430,000
4	HHS-SSA, supplemental security income.....	2,362,500
5	HHS, temporary assistance for needy families.....	79,233,700
6	HUD-CPD, community development block grant.....	45,000,000
7	Special revenue funds:	
8	Local vocational rehabilitation facilities match.....	1,278,300
9	Local vocational rehabilitation match.....	6,437,400
10	Private-gifts, bequests, and donations.....	800,000
11	Contingent fund, penalty & interest account.....	1,000,000
12	State general fund/general purpose..... \$	65,970,200
13	(7) EMPLOYMENT SERVICE AGENCY	
14	Full-time equated classified positions.....347.0	
15	Worker's compensation..... \$	92,900
16	Rent.....	418,000
17	Building occupancy charges - property development	
18	service.....	184,000
19	Employment service--291.0 FTE positions.....	33,444,000
20	Labor market information--56.0 FTE positions.....	3,663,000
21	Contractual services, supplies, and materials.....	<u>11,833,000</u>
22	GROSS APPROPRIATION..... \$	49,634,900
23	Appropriated from:	
24	Federal revenues:	
25	DOL-ETA, employment service.....	26,603,900
26	DOL-ETA, bureau of labor statistics.....	2,394,600

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1	DOL-ETA.....	1,593,600
2	DOL-ETA, veterans' employment and training	
3	administration.....	6,311,900
4	DOL-ETA, miscellaneous funds.....	11,200,600
5	Special revenue funds:	
6	Contingent fund, penalty and interest account.....	1,530,300
7	State general fund/general purpose..... \$	0

8 PART 2

9 PROVISIONS CONCERNING APPROPRIATIONS

10 GENERAL SECTIONS

11 Sec. 201. (1) Pursuant to section 30 of article IX of the state
12 constitution of 1963, total state spending from state sources for fiscal
13 year 1997-98 is estimated at [\$379,234,300.00] in this act and state spend-
14 ing from state sources paid to local units of government for fiscal year
15 1997-98 is estimated at [\$90,319,000.00]. The itemized statement below
16 identifies appropriations from which spending to units of local govern-
17 ment will occur:

18 DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

19	Arts and cultural grants..... \$	20,848,700
20	Fire protection grants.....	[6,675,000]
21	Liquor law enforcement.....	6,000,000
22	Local mobile home inspections.....	<u>250,000</u>
23	Total consumer and industry services..... \$	[33,773,700]

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1 DEPARTMENT OF MICHIGAN JOBS COMMISSION

2	Economic development job training grants.....	28,000,000
3	Welfare-to-work programs.....	<u>28,545,300</u>
4	Total Michigan jobs commission..... \$	56,545,300

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) "CDBG" means community development block grant.
- 13 (c) "CNS" means the corporation for national services.
- 14 (d) "DAG" means the United States department of agriculture.
- 15 (e) "DED" means the United States department of education.
- 16 (f) "DED-OPSE" means the DED office of postsecondary education.
- 17 (g) "DED-OSERS" means the DED office of special education
18 rehabilitation services.
- 19 (h) "DOE" means the United States department of energy.
- 20 (i) "DOE-OEERE" means the DOE office of energy efficiency and
21 renewable energy.
- 22 (j) "DOL" means the United States department of labor.
- 23 (k) "DOL-ETA" means the DOL employment and training act.
- 24 (l) "DOL-NOICC" means the DOL national occupational information
25 coordinating committee.
- 26 (m) "DOL-OSHA" means the DOL occupational safety and health
27 administration.

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1 (n) "DOT" means the United States department of transportation.

2 (o) "DOT-RSPA" means the DOT research and special programs
3 administration.

4 (p) "FTE" means full-time equated position.

5 (q) "HHS" means the United States department of health and human
6 services.

7 (r) "HHS-HCFA" means the HHS health care financing administration.

8 (s) "HHS-SSA" means HHS social security administration.

9 (t) "HUD" means the United States department of housing and urban
10 development.

11 (u) "HUD-CPD" means HUD community planning and development.

12 (v) "IDG" means interdepartmental grant.

13 (w) "IDT" means interdepartmental transfer.

14 (x) "JTPA" means job training partnership act, Public Law 97-300,
15 96 Stat. 1322.

16 (y) "MDEQ" means the Michigan department of environmental quality.

17 (z) "MDOC" means the Michigan department of corrections.

18 (aa) "MDOT" means the Michigan department of transportation.

19 (bb) "MES" means Michigan employment security.

20 (cc) "NFAH" means the national foundation of the arts and the
21 humanities.

22 (dd) "NFAH-NEA" means the NFAH national endowment for the arts.

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

26 Sec. 204. Funds appropriated in this act shall not be used for the
27 purchase of foreign goods or services, or both, when competitively priced

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1 American goods or services, or both, of comparable quality are
2 available. By May 1, 1999, each department shall submit a report to the
3 department of management and budget, the speaker and minority leader of
4 the house of representatives, the majority and minority leaders of the
5 senate, and the chairpersons of the house and senate appropriations com-
6 mittees on efforts to comply with this section.

7 Sec. 205. The department of civil service shall bill departments
8 and/or agencies at the end of the first fiscal quarter for the 1% charges
9 authorized by section 5 of article XI of the state constitution of 1963.
10 Payments shall be made for the total amount of the billing by the end of
11 the second fiscal quarter.

12 Sec. 206. Of the funds appropriated in part 1 that are in units
13 other than the grants unit, a department shall not provide grants to
14 local government agencies, institutions of higher education, or nonprofit
15 organizations unless the department provides notice of the grant to the
16 regulatory subcommittees of the house and senate appropriations commit-
17 tees at least 10 days before the grant is issued or at least 72 hours
18 before any announcement to local governmental units or the public.

19 Sec. 207. The departments of consumer and industry services and
20 Michigan jobs commission shall not permit any other department, agency,
21 or office of this state to use funds or FTE positions authorized for
22 those departments or allow any funds or FTE positions from any other
23 department, agency, or office to be used within those departments without
24 a 30-day notice given to the regulatory subcommittees of the house and
25 senate appropriations committees.

26 Sec. 208. (1) Beginning October 1, 1998, a hiring freeze is imposed
27 on the state classified civil service. State departments and agencies

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1 are prohibited from hiring any new full-time state classified civil
2 service employees or filling any vacant state classified civil service
3 position. This hiring freeze does not apply to internal transfers of
4 classified employees from 1 position to another within a department or to
5 positions that are funded with 80% or more federal or restricted funds.

6 (2) The state budget director shall grant exceptions to this hiring
7 freeze when the director believes that the hiring freeze will result in
8 the state department or agency being unable to deliver basic services.

9 The state budget director shall report by the fifteenth of each month to
10 the chairpersons of the house and senate appropriations committees the
11 number of exclusions to the hiring freeze approved during the previous
12 month and the justification for the exclusion.

13 Sec. 209. The department shall receive and retain copies of all
14 reports funded from part 1 appropriations.

15 Sec. 210. (1) In the expenditure of funds appropriated under this
16 act, the directors of the departments of consumer and industry services
17 and Michigan jobs commission shall take all reasonable steps to ensure
18 that businesses in deprived and depressed communities are given the
19 opportunity to compete for and perform contracts to provide services or
20 supplies, or both, for the departments.

21 (2) The directors shall strongly encourage firms with which the
22 departments contract to subcontract with businesses in depressed and
23 deprived communities for services or supplies, or both.

24 Sec. 211. (1) Departments and state agencies that receive funds
25 under this act may receive and expend federal funds for purposes allowed
26 by the federal government and these funds are appropriated if the funds

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1 are provided as block grants or other similar replacements for, or
2 consolidations of, prior federal funding sources.

3 (2) The departments and state agencies described in subsection (1)
4 may use the funds described in that subsection to continue existing pro-
5 grams and shall not establish new programs utilizing these funds unless
6 the legislature has enacted modifications to the existing program or has
7 enacted a new program.

8 Sec. 212. The departments of consumer and industry services and
9 Michigan jobs commission shall establish and maintain affirmative action
10 programs based on guidelines developed by the state equal opportunity
11 workforce planning council which was created by Executive Order 1996-13
12 in order to receive general fund/general purpose dollars.

13 Sec. 213. (1) The department of management and budget and each
14 principal executive department and agency receiving funds under this act
15 shall provide to the house and senate appropriations committees and the
16 house and senate fiscal agencies a monthly report on all sole source con-
17 tracts and personal service contracts awarded that month without competi-
18 tive bidding, pricing, or rate setting. The monthly report shall include
19 at least all of the following:

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

21 (b) The duration of the contract.

22 (c) The name of the vendor.

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

24 (2) At least quarterly, the appointing authority of each department
25 receiving funds under this act shall transmit to the house and senate
26 appropriations committees, the house and senate fiscal agencies, and the

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1 department of management and budget a report including all of the
2 following for each personal service contract awarded that quarter:

3 (a) A description of the personal service contract.

4 (b) A copy of the approved CS-138 form.

5 (c) The purpose and type of service to be provided.

6 (d) The name of the person or entity that was awarded the contract.

7 (e) The estimated cost or financial obligation for the contract.

8 (f) The cost savings to the state from awarding the contract. This
9 cost savings shall be calculated as the difference between the cost of
10 the personal service contract and the estimated cost of the contract if
11 that product or service were provided through the classified civil serv-
12 ice by permanent civil service employees.

13 (3) The internal auditor of each department receiving funds under
14 this act shall prepare an annual report concerning personal service con-
15 tracts that explicitly identifies exceptions between the authorized pur-
16 pose and level of expenditures and the actual product or service and
17 level of expenditures. This report shall be submitted to the legislative
18 auditor general, the house and senate fiscal agencies, and the department
19 of management and budget not later than 90 days after the books are
20 closed at the conclusion of the fiscal year.

21 (4) Each department receiving funds under this act shall provide to
22 the department of management and budget a monthly listing of all bid
23 requests or requests for proposal that were issued for personal service
24 contracts during that month. The department of management and budget
25 shall provide this monthly listing to the house and senate appropriations
26 committees and house and senate fiscal agencies.

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1 (5) Each principal executive department and agency receiving funds
2 under this act shall provide to the department of management and budget a
3 monthly summary listing that identifies any authorizations for personal
4 service contracts that are provided to the department of civil service
5 pursuant to delegated authority granted to each principal executive
6 department and agency related to personal service contracts. The depart-
7 ment of management and budget shall provide this monthly listing to the
8 house and senate appropriations committees and the house and senate
9 fiscal agencies.

10 (6) All reporting and provision of information by the department of
11 management and budget referred to in this section shall be as provided in
12 House Bill No. 5595 of the 89th Legislature.

13 Sec. 214. If a department receiving appropriations under this act
14 enters into a personal service contract with any temporary service agency
15 or similar contractor that hires or subcontracts with a person who
16 retired from employment in the department under the early retirement pro-
17 gram provided under section 19f of the state employees' retirement act,
18 1943 PA 240, MCL 38.19f, the retired state employee shall be limited to
19 500 hours for professional, technical, or clerical services and 250 hours
20 for management services. This provision only applies during a 24-month
21 period after the date of retirement. This section applies to each prin-
22 cipal executive department and agency.

23 Sec. 215. (1) Any initiative to privatize state services funded
24 under this act shall not commence until after the completion of a pilot
25 program with a duration of not less than 36 months. At least 30 days
26 before beginning any privatization pilot program, the department shall
27 submit a complete project plan to the appropriate house and senate

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1 appropriations subcommittees and the house and senate fiscal agencies.
2 The submission of the project plan shall contain a complete set of base-
3 line data for comparative evaluation of the pilot program at the end of
4 the program term. The privatization pilot program evaluation shall
5 include the administrative costs of the contract for privatized
6 services.

7 (2) A contract for privatized services shall not be continued beyond
8 the original privatization pilot program term unless the program has con-
9 clusively demonstrated a cost savings of at least 5% and improved quality
10 of service.

11 Sec. 216. Within 10 working days after the formal presentation of
12 the executive budget for fiscal year 1999-2000, each principal department
13 or agency receiving funds under this act shall identify and report to the
14 house and senate appropriations committees and to the house and senate
15 fiscal agencies the source of all federal funds and restricted funds that
16 the principal department or agency proposes to receive as a grant or pro-
17 poses to transfer to another principal department or agency during the
18 1999-2000 fiscal year.

19 **DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES**

20 Sec. 301. The funds collected by the department of consumer and
21 industry services, corporation and securities division, for furnishing
22 copies of documents, reports, and papers required or permitted by law
23 pursuant to section 1060(5) of the business corporation act, 1972 PA 284,
24 MCL 450.2060, shall revert to the corporation and securities division.
25 Collected funds shall be submitted to the department of treasury and

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1 shall be used only for operation and other costs relating to providing
2 information, including copies of documents, pertaining to corporations
3 and trademarks.

4 Sec. 302. (1) The department shall sell copies of the subdivision
5 control manual, the state boundary commission operations manual, and
6 other local government assistance manuals at a price not to exceed the
7 cost of printing. The money received from the sale of these manuals
8 shall revert to the department. The funds are available for expenditure
9 when they are credited and may be used only for costs directly related to
10 the continued updating and distribution of the manuals.

11 (2) The liquor control commission shall sell copies of the Michigan
12 liquor control code of 1998, 1998 PA 58, with amendments at a price not
13 to exceed the cost of distribution. The money received from the sale of
14 the Michigan liquor control code of 1998 with amendments shall revert to
15 the liquor control commission. The funds are available for expenditure
16 when they are credited and may be used only for costs directly related to
17 the continued updating and distribution of the Michigan liquor control
18 code of 1998.

19 Sec. 303. The appropriation in section 101 for grants to cities
20 includes [\$6,675,000.00] from the liquor purchase revolving fund which
21 shall be appropriated to cities, villages, and townships with state-owned
22 facilities for fire services, instead of taxes, in accordance with 1977
23 PA 289, MCL 141.951 to 141.956.

24 Sec. 304. Funds received from federal agencies for reimbursement of
25 examination and supervision services provided by the financial institu-
26 tions bureau for banks, credit unions, and savings and loan associations
27 shall revert to the financial institutions bureau. Reimbursed funds

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1 shall be submitted to the department of treasury and shall be used only
2 for costs relating to examination and supervision of state chartered
3 financial institutions.

4 Sec. 305. The corporation and securities bureau shall sell copies
5 of the mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349;
6 the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the
7 nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the
8 uniform securities act, 1964 PA 265, MCL 451.501 to 451.818, at a price
9 not to exceed the cost of printing. Money received from the sale of
10 these manuals shall revert to the department of consumer and industry
11 services. The funds are available for expenditure when they are received
12 by the department of treasury and may only be used for costs directly
13 related to the continued updating and distribution of the acts pursuant
14 to this section.

[Sec. 305a. As a condition for receiving funds under part 1, the corporations and securities bureau shall not charge any more than the actual cost of processing any renewal.]

15 Sec. 306. 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. 307. The funds collected by the department of consumer and
23 industry services from corporations being liquidated pursuant to the
24 insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be
25 appropriated for all expenses necessary to provide for the required
26 services. Funds are available for expenditure when they are received by

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1 the department of treasury and shall not lapse to the general fund at the
2 end of the fiscal year.

3 Sec. 308. The department of consumer and industry services may make
4 available to interested entities otherwise unavailable customized list-
5 ings of nonconfidential information in its possession, such as names and
6 addresses of licensees, and charge for this information as follows: base
7 fee for 1 to 1,000 records at the cost to the department; 1,001 to 10,000
8 records at 2.5 cents per record; and 10,001 or more records at .5 cents
9 per record. The revenue received from this service may be used to offset
10 expenses of licensure and professional regulation and insurance bureau
11 programs as appropriated in part 1. The balance of this revenue col-
12 lected and unexpended at the end of the fiscal year shall revert to the
13 appropriate restricted revenue account or fund or, in absence of such an
14 account or fund, to the general fund. The department shall submit an
15 annual report on or before June 1, 1999 to the regulatory subcommittees
16 of the house and senate appropriations committees that states the amount
17 of revenue received from the sale of information.

18 Sec. 309. The appropriation in part 1 may be used for per diem pay-
19 ments to the members of commissions or boards for a full day of committee
20 work at which a quorum is present or for performing official business as
21 authorized by each respective commission or board. The per diem payments
22 shall be at a rate as follows:

23	(a) Michigan board of chiropractic medicine.....	\$50.00 per day
24	(b) Michigan board of dentistry.....	\$50.00 per day
25	(c) Michigan board of medicine.....	\$50.00 per day
26	(d) Board of nursing.....	\$50.00 per day

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1	(e) Michigan board of optometry.....	\$50.00 per day
2	(f) Michigan board of osteopathic medicine &	
3	surgery.....	\$50.00 per day
4	(g) Michigan board of pharmacy.....	\$50.00 per day
5	(h) Michigan board of podiatric medicine &	
6	surgery.....	\$50.00 per day
7	(i) Michigan board of psychology.....	\$50.00 per day
8	(j) Michigan board of physical therapy.....	\$50.00 per day
9	(k) Physicians' assistants task force.....	\$50.00 per day
10	(l) Michigan board of veterinary medicine.....	\$50.00 per day
11	(m) Michigan board of occupational therapists....	\$50.00 per day
12	(n) Michigan board of professional counselors....	\$50.00 per day
13	(o) Health occupations council.....	\$50.00 per day
14	(p) Board of accountancy.....	\$50.00 per day
15	(q) Board of architects.....	\$50.00 per day
16	(r) Athletic board of control.....	\$50.00 per day
17	(s) Board of barber examiners.....	\$50.00 per day
18	(t) Residential builders' and maintenance and	
19	alteration contractor's board.....	\$50.00 per day
20	(u) Carnival-amusement safety board.....	\$50.00 per day
21	(v) Collection practices board.....	\$50.00 per day
22	(w) Board of cosmetology.....	\$50.00 per day
23	(x) Employment agency board.....	\$50.00 per day
24	(y) Board of professional engineers.....	\$50.00 per day
25	(z) Board of land surveyors.....	\$50.00 per day
26	(aa) Board of landscape architects.....	\$50.00 per day

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1	(bb) Board of marriage counselors.....	\$50.00 per day
2	(cc) Board of examiners in mortuary science.....	\$50.00 per day
3	(dd) Nursing home administrators' board.....	\$50.00 per day
4	(ee) Board of real estate brokers and	
5	salespersons.....	\$50.00 per day
6	(ff) Ski area safety board.....	\$50.00 per day
7	(gg) Board of examiners of social workers.....	\$50.00 per day
8	(hh) Commission on professional and occupational	
9	licensure.....	\$50.00 per day
10	(ii) Board of real estate appraisers.....	\$50.00 per day
11	(jj) Utility consumer participation board.....	\$50.00 per day
12	(kk) Construction code commission.....	\$50.00 per day
13	(ll) Plumbing board.....	\$50.00 per day
14	(mm) Electrical board.....	\$50.00 per day
15	(nn) Barrier free design board.....	\$50.00 per day
16	(oo) Mechanical board.....	\$50.00 per day
17	(pp) Boiler board.....	\$50.00 per day
18	(qq) Elevator board.....	\$50.00 per day
19	(rr) General industry safety standards commission	\$50.00 per day
20	(ss) General industry safety standards advisory	
21	committees.....	\$50.00 per day
22	(tt) Construction safety standards commission....	\$50.00 per day
23	(uu) Construction safety standards advisory	
24	committees.....	\$50.00 per day
25	(vv) Board of health and safety compliance	
26	appeals.....	\$50.00 per day

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1	(ww) Occupation health standards commission.....	\$50.00 per day
2	(xx) Fire safety board.....	\$50.00 per day
3	(yy) Occupational health standards advisory	
4	committee.....	\$50.00 per day

5 Sec. 310. Any funds appropriated to the department of consumer and
6 industry services for fiscal year 1998-99 that are committed or encum-
7 bered in a contractual agreement may be available in the subsequent
8 fiscal year until the project specified in the contractual agreement is
9 completed. A listing of these contractual agreements shall be forwarded
10 to the regulatory subcommittees of the house and senate appropriations
11 committees not later than November 30, 1998.

12 Sec. 311. (1) The [Michigan council for arts and cultural affairs in]
the department of consumer and indus-
13 try services shall administer the arts and cultural grants appropriated
14 in part 1. The [council] shall provide for fair and independent decisions
15 on arts and cultural grant requests based upon published criteria to
16 evaluate program quality. This criteria shall include a prohibition of
17 art projects that include displays of human wastes on religious symbols,
18 displays of sex acts, and depictions of flag desecration. The [council]
19 shall seek to award grants on an equitable geographic basis to the extent
20 possible given the quality of grant applications received. Priority
21 shall be given to projects that serve multiple counties and that leverage
22 significant additional public and private investment. Counties, cities,
23 villages, townships, community foundations, and organizations may apply
24 for the following categories of grants:

25 (a) State arts anchor organizations that serve a statewide
26 audience.

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1 (b) Arts education programs, also known as the arts and learning
2 programs.

3 (c) Local arts programs.

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

7 (e) Historical organizations and projects.

8 (f) Zoos.

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

11 (h) Cultural and community organizations and projects.

12 (i) Art institutions.

13 (j) Symphony orchestras.

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

15 (l) Music education camps.

16 (m) Capital outlay projects.

17 (2) Applications for arts and cultural grants shall be received by
18 [] the department of consumer and industry services [,
Michigan council for arts and cultural affairs,] not
19 later than June 1, 1999.

20 (3) The appropriation for arts and cultural grants in part 1 and
21 disbursed under this section shall, at a minimum, be matched on an equal
22 dollar-for-dollar basis from local and private contributions paid and
23 received by each awardee receiving grants under this section. The
24 dollar-for-dollar match may include the reasonable value of services,
25 materials, and equipment as allowed under the federal internal revenue
26 code for charitable contributions subject also to the preapproval of such
27 a match by the [Michigan council for arts and cultural affairs. The
council] shall receive proof of the entire

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1 amount of the matching funds, services, materials, or equipment by the
2 end of the award period. The [council] shall submit a report to the regu-
3 latory subcommittees of the house and senate appropriations committees
4 regarding those counties, cities, village, townships, community founda-
5 tions, and organizations failing to meet their matching requirements by
6 the end of the award period.

7 (4) Before any amount appropriated for arts and cultural grants in
8 part 1 may be expended for a grant to eligible applicants for the pur-
9 poses in this section, the department of consumer and industry services
10 shall execute a grant agreement with each grantee. The grant agreement
11 shall specify the criteria included in this section with which the appli-
12 cation complies. The grant agreement shall include a list of the
13 projects funded and the amount of funds each subgrantee, if applicable,
14 will receive for those projects. A contract shall not be executed and
15 dollars shall not be disbursed until 2 weeks after the regulatory subcom-
16 mittees of the house and senate appropriations committees have received a
17 copy of the proposed contract.

18 (5) By November 1, 1998, the department of consumer and industry
19 services shall report to the regulatory subcommittees of the house and
20 senate appropriations committees on how the council intends to implement
21 the provisions of this section, including the process for evaluating
22 organization quality and efforts to achieve an equitable geographic dis-
23 tribution of grants.

24 (6) By not later than 1 month after the grant application deadline,
25 the department of consumer and industry services shall provide a list of
26 all grant applications, by county, to the regulatory subcommittees of the
27 house and senate appropriations committees. The department shall, at

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1 least 30 days before the award of any grant, provide the regulatory
2 subcommittees of the house and senate appropriations committees a list of
3 all proposed grant awardees.

4 (7) Counties, cities, villages, townships, community foundations,
5 and organizations receiving funds under this section shall provide the
6 following reports to the [Michigan council for arts and cultural affairs]
and to the regulatory subcommittees of
7 the house and senate appropriations committees:

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

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

12 (ii) Number of employees.

13 (iii) Number of new hires.

14 (b) For awardees receiving grants greater than \$100,000.00, a copy
15 of the awardee's annual report and audit report for the fiscal year in
16 which the majority of the grant took place due within 90 days after the
17 end of the awardee's fiscal year. The audit report shall include an
18 audit of grant funds. A representative sampling of grant agreements
19 shall be audited by the state auditor general. The audit report shall be
20 submitted to the regulatory subcommittees of the house and senate appro-
21 priations committees for review. These awardees shall also submit the
22 information in subdivision (a) on a quarterly basis for the immediately
23 preceding quarter due on January 7, 1999, April 7, 1999, July 7, 1999,
24 and October 7, 1999.

25 (8) The recipients of grant funds under this section shall be
26 announced by the department by September 15, 1999.

1 (9) A grant awarded under this section and the matching funds which
2 conferred eligibility for the grant award shall be used by the recipient
3 of the grant award and shall not be redistributed by that recipient to
4 any other entity unless specifically provided for in the grant agreement
5 between the funded grant awardee and the [Michigan council for arts and
cultural affairs].

6 (10) The applicants for arts and cultural grant funds shall be
7 charged a nonrefundable application fee of \$100.00 or 1% of the grant,
8 whichever is less. The application fee may be used by the department of
9 consumer and industry services to recover direct and indirect costs as
10 appropriated in section 101.

[(11) The department of consumer and industry services shall
not use funds appropriated in any line item in part 1 other than the
arts and cultural grants line item to provide grants for the
purposes outlined in this section.]

11 Sec. 312. The department of consumer and industry services may
12 receive and expend contributions from public, private, and federal
13 sources, except state agencies, for the purpose of acquiring or con-
14 structing art objects or promoting or preserving the arts in or on state
15 properties. Expenditures of any funds received shall be consistent with
16 the purposes of the Faxon-McNamee art in public places act, 1980 PA 105,
17 MCL 18.71 to 18.81. Any funds received under this section are considered
18 a work project account and may be carried forward into the succeeding
19 fiscal year.

20 Sec. 313. The Michigan state housing development authority shall
21 annually present a report to the regulatory subcommittees of the house
22 and senate appropriations committees on the status of the authority's
23 housing production goals under all financing programs established or
24 administered by the authority. The report shall give special attention
25 to efforts to raise affordable multifamily housing production goals.

26 Sec. 314. The department of consumer and industry services shall
27 assess and collect fees in the licensing and regulation of child care

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1 organizations as defined in 1973 PA 116, MCL 722.111 to 722.128, and
2 adult foster care facilities as defined in the adult foster care facility
3 licensing act, 1979 PA 218, MCL 400.701 to 400.737. Fees collected by
4 the department shall not exceed the deducts in part 1 and shall be used
5 exclusively for the purpose of licensing and regulating child care organ-
6 izations and adult foster care facilities.

7 Sec. 315. The department of consumer and industry services may uti-
8 lize revenue in excess of the amount expended in part 1 for the safety
9 education and training grant program in the immediately succeeding fiscal
10 year for the purpose of honoring contracts negotiated before September
11 15, 1999. The amount of revenue made available from revenue in excess of
12 the amount expended in part 1 for an individual program shall not exceed
13 30% of the appropriated funds. The director of the department of con-
14 sumer and industry services shall report the amount and purpose of any
15 funds made available in the succeeding fiscal year under this section to
16 the regulatory subcommittees of the house and senate appropriations com-
17 mittees, the house and senate fiscal agencies and the department of man-
18 agement and budget on or before November 15, 1999.

19 Sec. 316. The appropriation in part 1 for the department of con-
20 sumer and industry services, bureau of safety and regulation, safety edu-
21 cation and training division, includes funding for on-site consultation
22 and education and training programs. The appropriation in part 1 antici-
23 pates that 90% of the on-site consultation program costs and 50% of the
24 education and training program costs will be supported by federal OSHA
25 funds and the remaining 10% and 50% respectively will be supported by
26 safety education and training funds. If federal OSHA funding does not
27 become available to cover up to 90% of the program costs for on-site

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1 consultation and 50% for education and training, up to 50% of the program
2 costs for on-site consultation and 90% of the program costs for education
3 and training may be paid from the safety education and training fund as a
4 match for available federal funds.

5 Sec. 317. The department of consumer and industry services shall
6 sell copies of labor law books at a price not to exceed the cost of
7 printing and distribution. The money received from the sale of these
8 books shall revert to the department. The funds are available for expen-
9 diture when they are received and may be used only for costs directly
10 related to the continued updating and distribution of the Michigan labor
11 law books.

12 Sec. 318. The department of consumer and industry services shall
13 sell copies of the worker's compensation health care services rules at a
14 price not to exceed the cost of printing and distribution. The money
15 received from the sale of the rules shall be credited to the state gen-
16 eral fund for use by the department. The funds are available for expen-
17 diture when they are received and may be used only for costs directly
18 related to the printing and distribution of the worker's compensation
19 health care services rules.

20 Sec. 319. The funds collected by the department of consumer and
21 industry services for licenses, permits, and other elevator regulation
22 fees set forth in R 408.8151 of the Michigan administrative code and as
23 determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16
24 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal
25 year shall carry forward to the subsequent fiscal year. The department
26 of consumer and industry services shall submit a report on an annual
27 basis to the regulatory subcommittees of the house and senate

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1 appropriations committees on the amount of funds available under this
2 section.

3 Sec. 320. If the revenue collected by the department for occupa-
4 tional safety and health, health systems administration, or radiological
5 health administration and projects from fees and collections exceeds the
6 amount appropriated in part 1, the revenue may be carried forward into
7 the subsequent fiscal year. The revenue carried forward under this sec-
8 tion shall be used as the first source of funds in the subsequent fiscal
9 year.

10 Sec. 321. (1) This appropriation act includes funding for depart-
11 mental operations financed in whole or in part from early retirement sav-
12 ings generated through the early retirement program under section 19f of
13 the state employees' retirement act, 1943 PA 240, MCL 38.19f. The direc-
14 tor of the department of consumer and industry services shall provide a
15 report that identifies all of the following:

16 (a) The amount of these early retirement savings realized in the
17 1997-98 fiscal year.

18 (b) The amount of these early retirement savings explicitly ear-
19 marked and spent for technology improvements in the 1997-98 fiscal year.

20 (c) The amount of these early retirement savings used for other
21 organizational enhancements in the 1997-98 fiscal year.

22 (2) The report required under subsection (1) shall be provided to
23 the house and senate appropriations committees and to the house and
24 senate fiscal agencies on or before December 15, 1998.

25 Sec. 322. (1) The department shall submit to the department of man-
26 agement and budget, house and senate appropriations committees, house and
27 senate fiscal agencies, and house and senate standing committees having

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1 jurisdiction over technology issues quarterly reports on the department's
2 efforts to change the department's computer software and hardware as nec-
3 essary to perform properly in the year 2000 and beyond. These reports
4 shall identify actual progress in comparison to the department's approved
5 work plan for these efforts. These reports shall also identify and for-
6 ward as appropriate the funding sources that should support the work
7 performed.

8 (2) The department may present progress billings to the department
9 of management and budget for the costs incurred in changing computer
10 software and hardware as necessary to perform properly in the year 2000
11 and beyond. At the time progress billings are presented for reimburse-
12 ment, the department shall identify and forward as appropriate the fund-
13 ing sources that should support the work performed.

14 Sec. 323. Money appropriated under this act for fire safety pro-
15 grams shall not be expended unless, in accordance with section 2c of the
16 fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review
17 fees will be charged according to the following schedule:

18 Operation and maintenance inspection fee

19 Facility type	20 Facility size	Fee
21 Hospitals	Any	\$10.00 per bed
22 <u>Plan review and construction inspection fees for hospitals and schools</u>		
23 <u>Project cost range</u>		<u>Fee</u>
24 \$85,000.00 or less		minimum fee of \$100.00
25 \$85,001.00 to \$1,500,000.00		\$1.18 per \$1,000.00
26 \$1,500,001.00 to \$10,000,000.00		\$0.80 per \$1,000.00
27 \$10,000,001.00 or more		\$0.50 per \$1,000.00
28	or a maximum fee of \$50,000.00.	
29		

30 Sec. 324. The department shall furnish the clerk of the house, the
31 secretary of the senate, and the members of the house and senate

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1 appropriations committees with any evaluation reports and subsequent
2 approvals or disapprovals of juvenile residential facilities operated by
3 the family independence agency, as required by 1973 PA 116, MCL 722.116.

4 Sec. 325. By October 1, 1998, the insurance commissioner shall file
5 a written report with the regulatory subcommittees of the house and
6 senate appropriations committees and the standing committees of the house
7 and senate that deal with insurance issues outlining the steps taken to
8 insure that consumer protection issues have been addressed, including,
9 but not limited to, the following:

10 (a) Consumer complaints against insurance companies.

11 (b) Rates and form filings.

12 (c) Efforts by the commissioner to comply with regulatory and over-
13 sight requirements imposed by law.

14 Sec. 326. The department of consumer and industry services, public
15 service commission, shall submit a status report on the energy program to
16 the regulatory subcommittees of the house and senate appropriations com-
17 mittees with copies to the house and senate fiscal agencies on or before
18 September 1, 1999. The report shall include, but not be limited to, a
19 list of grants projects, a brief description of each project, and the
20 amount expended on each project. Upon enactment of House Bill No. [5294]
21 and House Bill No. [5399] of the 89th Legislature, up to \$200,000.00 in the
22 form of an interdepartmental grant from the department of environmental
23 quality shall be expended by the public service commission for the pur-
24 pose of establishing a uniform system of reporting oil and gas volumes
25 and values for the purposes of establishing revenues for the department
26 of treasury, department of environmental quality, and department of
27 natural resources.

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1 Sec. 327. (1) From the amount appropriated for health systems
2 administration, the department of consumer and industry services shall
3 provide funding for not less than 120 inspectors to annually survey and
4 investigate the care and services delivered in nursing homes, county med-
5 ical care facilities, and hospital long-term care units in accordance
6 with provisions of the public health code, 1978 PA 368, MCL 333.1101 to
7 333.25211, and federal medicare and medicaid certification standards. In
8 addition, the department shall provide not less than 8 inspectors to
9 annually survey and investigate complaints about the care and services
10 delivered in licensed homes for the aged in accordance with the public
11 health code, 1978 PA 368, MCL 333.1101 to 333.25211.

12 (2) In instances of complaints alleging poor care and services
13 occurring on nights or weekends, the department of consumer and industry
14 services shall investigate such complaints by conducting on-site investi-
15 gations on nights or weekends in keeping with the allegations.

16 Sec. 328. If the revenue collected by the department of consumer
17 and industry services from licensing and regulation fees exceeds the
18 amount appropriated in part 1, the revenue may be carried forward into
19 the subsequent fiscal year. The revenue carried forward under this sec-
20 tion shall be used as the first source of funds in the subsequent fiscal
21 year.

22 Sec. 329. In addition to the amounts appropriated in part 1 for the
23 Michigan unemployment agency, there shall be appropriated an amount not
24 to exceed \$8,900,000.00 from the contingent fund penalty and interest
25 account for the fiscal year ending September 30, 1999. The appropriation
26 shall only be expended for the costs incurred in changing the Michigan

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1 unemployment agency's computer software and hardware as necessary to
2 perform properly in the year 2000 and beyond.

3 Sec. 330. 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 of consumer and industry services notifies the regu-
9 latory subcommittees of the house and senate appropriations committees of
10 the purpose and amount of each grant award.

11 Sec. 331. If revenues collected by the special audit and collec-
12 tions program within the Michigan unemployment agency are more than
13 \$2,000,000.00 greater than appropriated levels, the unemployment agency
14 shall use 15% of the amount exceeding appropriations for additional audit
15 and collections staff, up to an additional \$1,000,000.00. The unemploy-
16 ment agency shall report annually to the chairpersons of the regulatory
17 subcommittees of the house and senate appropriations committees on the
18 revenue generated through the program.

19 Sec. 332. The appropriation in part 1 for cable television adver-
20 tising shall be used by the department of consumer and industry services
21 to produce and purchase advertising time for public service announcements
22 aimed at educating the public on the various industries that the depart-
23 ment regulates and eliciting public input regarding industry compliance
24 with state regulations.

[Sec. 333. As a condition of receiving funds appropriated
under section 102, the department of consumer and industry services
shall not annually collect a fee for the operation of and shall not
enter on private property to inspect a miniature railroad under the
authority of the carnival-amusement safety act of 1966, 1966 PA 225,
MCL 408.651 to 408.667.]

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1 DEPARTMENT OF MICHIGAN JOBS COMMISSION

2 Sec. 401. Funds returned from JTPA grant recipients to the depart-
3 ment of Michigan jobs commission may be redirected for expenditure by
4 other JTPA grant recipients.

5 Sec. 402. (1) The department of Michigan jobs commission shall
6 develop performance measures and monitoring techniques for each program
7 and office and all revolving loan funds operated by the department.

8 (2) The performance measures and monitoring techniques required by
9 subsection (1) shall be defined according to program strategy and results
10 and shall show the impact of each program or office on the entire eco-
11 nomic and promotional effort carried out by the department of Michigan
12 jobs commission. The performance measures shall evaluate the efficiency
13 and effectiveness of each program's operations as well as the attainment
14 of expected program results and shall include data regarding the number
15 of jobs created and jobs retained in Michigan by each program.

16 (3) The department of Michigan jobs commission shall report the
17 results of all market studies, research, and surveys related to business,
18 economic development, tourism, and promotion issues conducted during the
19 fiscal year ending September 30, 1998 by the department or on behalf of
20 the department by other public or private entities to the regulatory sub-
21 committees of the house and senate appropriations committees and the
22 house and senate fiscal agencies by December 1, 1998.

23 (4) The department of Michigan jobs commission shall report on its
24 proposed performance measures and monitoring techniques to the regulatory
25 subcommittees of the house and senate appropriations committees with
26 copies to the house and senate fiscal agencies not later than December 1
27 of each year.

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1 Sec. 403. The Michigan career and technical institute may receive
2 equipment and in-kind contributions for the direct support of staff serv-
3 ices through the Pine Lake fund, the Delton-Kellogg school district or
4 other local or intermediate school district, or any combination of local
5 or intermediate school districts in addition to those authorized in sec-
6 tion 101.

7 Sec. 404. The Michigan rehabilitation service shall make every
8 effort to ensure that all sources of matching funds in this state are
9 used to obtain federal vocational rehabilitation funds. All sources
10 include, but are not limited to, privately raised funds to support public
11 nonprofit rehabilitation centers as permitted by the rehabilitation act
12 of 1973, Public Law 93-112, 29 U.S.C. 701 to 717, 720 to 724, 730 to 732,
13 740 to 741, 750, 752, 760 to 762, 770 to 777b, 777d to 777f, 780, 781 to
14 785, 790 to 794d, 795 to 795q, and 796 to 796i.

15 Sec. 405. (1) In developing school-to-work programs, the department
16 shall cooperate with the Michigan department of education in emphasizing
17 the importance of apprenticeship opportunities for students who may
18 choose to participate including, but not limited to, low-income students
19 and students with disabilities.

20 (2) The school-to-work apprenticeship programs shall link employers,
21 organized labor, educators, and community organizations for the purpose
22 of providing necessary knowledge, skills, and labor market information to
23 students.

24 (3) As participants in school-to-work apprenticeship programs, stu-
25 dents will be expected to obtain any of the following:

26 (a) High school diploma, or its equivalent.

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1 (b) Skill certificate.

2 (c) Possible further training, including a registered
3 apprenticeship.

4 (d) Certificate or associate degree recognizing successful comple-
5 tion of 1 or 2 years of postsecondary education.

6 (e) Admission to a college or university, or a first job on a career
7 pathway.

8 (4) The department shall submit a report to the regulatory subcom-
9 mittees of the house and senate appropriations committees on April 30,
10 1999 a summary of school-to-work apprenticeship programs supported by the
11 state of Michigan. This report shall include a list of programs sup-
12 ported by state or federal funds, or both, a geographic distribution of
13 grants, the activities supported through each grant, and the expected
14 outcomes for each grantee.

15 (5) In order for a public school to receive and spend school-to-work
16 funds, it must receive approval of its implementation plan from its gov-
17 erning board or its intermediate school board and forward such approval
18 to its local workforce development board. As used in this subsection,
19 "public school" and "intermediate school board" mean that term as defined
20 in the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

21 Sec. 406. (1) The appropriation in part 1 to the department of
22 Michigan jobs commission for economic development job training shall be
23 expended for competitive grants that provide economic development job
24 training and may include social services/vocational job club training,
25 job placement, or job retention services.

26 (2) Not more than 2% of the total grant, administration, and
27 operating funds appropriated in part 1 for the Michigan jobs commission's

1 economic development job training grants program may be expended for
2 administrative costs.

3 (3) No funds appropriated in part 1 to the department of Michigan
4 jobs commission for economic development job training grants may be
5 expended for the training of permanent striker replacement workers.

6 (4) Seventy percent of the economic development job training grant
7 funds shall be awarded to community colleges or a consortium of community
8 colleges and other eligible applicants pursuant to the requirements of
9 this section. [Eight percent] of the total appropriation for economic develop-
10 ment job training grants shall be awarded to community colleges that
11 offer certified programs that are bureau of apprenticeship training
12 certified.

13 (5) Training grants provided by the private sector trainers may
14 reach or exceed 20% of total grants, but not less than 10%.

15 (6) An applicant may be a district, intermediate district, community
16 college, public or private nonprofit college or university, nonprofit
17 organization whose primary purpose is to provide education programs or
18 employment and training services or vocational rehabilitation programs or
19 school-to-work transition programs, local workforce development board,
20 the headquarters of a federal and state sponsored manufacturing technol-
21 ogy center, or a consortium consisting of any combination of districts,
22 intermediate districts, community colleges, nonprofit organizations
23 described in this subsection, or public or private nonprofit colleges or
24 universities described in this subsection.

25 (7) On or before October 1, 1998, the department of Michigan jobs
26 commission shall publish proposed application criteria, instructions, and
27 forms for use by eligible applicants. The department of Michigan jobs

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1 commission shall provide at least a 2-week period for public comment
2 prior to finalization of the application criteria, instructions, and
3 forms.

4 (8) Applications for all grants shall be submitted to the department
5 of Michigan jobs commission and each application shall contain at least
6 all of the following:

7 (a) The name, address, and total number of employees of each busi-
8 ness organization whose employees are receiving job training.

9 (b) A description of the specific job skills that will be taught.

10 (c) A clear statement of the project's scope of activities, number
11 of participants to be involved, the number of participants who have been
12 an employee of the business organization for at least 30 days before the
13 date of application who are at risk of becoming unemployed unless trained
14 in the program and the number of participants who are either a new
15 employee within 30 days of the date of application or who will become a
16 new employee of the business organization as a result of the individual's
17 participation in the program.

18 (d) A management plan and description of staff responsibilities.

19 (e) A commitment to maintain participant records in a form and
20 manner required by the department.

21 (f) A budget which relates to the proposed activities and various
22 program components and which demonstrates whether the estimated costs are
23 reasonable and justified. Costs shall include, but are not limited to,
24 necessary child care, necessary transportation, job development, the cost
25 of an annual audit performed by a certified public accountant, and the
26 cost for any tests required to demonstrate successful completion of a

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1 program. Budgets shall include revenues from all sources of funding,
2 total costs, and costs per participant.

3 (g) A demonstration of training commitment made by the business
4 organization on employee training for the 5-year period immediately pre-
5 ceding application for state grant assistance and evidence that the
6 training would not occur but for the state assistance.

7 (h) Evidence that the training will strengthen the state's economic
8 base and provide participants with the skills necessary for long-term
9 employment.

10 (i) Evidence that the grant will not supplant other available public
11 or private job training funds.

12 (j) Evidence of collaboration with appropriate community and busi-
13 ness organizations.

14 (9) Priority in the department's awarding of grants shall be based
15 on the following criteria:

16 (a) Demonstrated need for the type of training offered and prospects
17 for participant job placement or job retention and for strengthening the
18 state's economic base.

19 (b) The average state unemployment rate for the 12-month period
20 immediately preceding application for state grant assistance for the
21 locality of the business organization.

22 (c) The number of persons who will become employed as a result of
23 participation in the proposed program and the number of persons at risk
24 of becoming unemployed to be trained in the program.

25 (d) Qualifications of the project director and key personnel who
26 will be used in the program.

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1 (e) Availability of appropriate classroom space, materials, and
2 equipment.

3 (f) Cost per participant and participant contact hours of training.

4 (g) Strength of commitment to guaranteed job placement upon comple-
5 tion of training.

6 (h) Collaboration with appropriate community and business
7 organizations.

8 (i) Inclusion of an evaluation plan that will provide an assessment
9 of the impact of the training program on participant job placement and
10 job retention and on strengthening the state's economic base.

11 (j) The extent to which the proposals maximize other federal, local,
12 private, or in-kind financial contributions.

13 (k) The extent to which the proposal supports workforce development
14 for small business organizations with 250 or fewer employees worldwide.

15 (10) Not more than \$5,000,000.00 of the amount appropriated in part
16 1 for economic development job training may be allocated to rapid
17 response grants for employee training programs which maintain or attract
18 permanent jobs for Michigan residents. A grant under this subsection
19 shall be awarded to eligible applicants under subsection (1)(a) by the
20 chief executive officer of the department of Michigan jobs commission.

21 (11) Participants in economic development job training programs
22 shall be 16 years or older and not enrolled and counted in membership in
23 a school district or intermediate school district.

24 (12) Not later than 60 days after the completion of the grant
25 period, grant recipients shall provide an evaluation report on the educa-
26 tional and employment outcomes of the participants in the program in a

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1 form and manner prescribed by the department of Michigan jobs
2 commission.

3 (13) A grant awarded under this section may extend beyond the end of
4 the fiscal year in which the grant is awarded and the funds awarded for
5 the grant may be carried over into the next fiscal year for payment in
6 the next fiscal year. Unexpended and unencumbered amounts remaining in
7 the fiscal year ending September 30, 1999, from economic development job
8 training grants awarded prior to September 15, 1998, may be used to award
9 additional economic development job training grants during the fiscal
10 year ending September 30, 1999.

11 (14) A recipient of a grant under this section shall not charge
12 tuition or fees to participants in the program funded by the grant.
13 However, a nonprofit organization may charge tuition or fees if the
14 tuition plan or fees are recognized by the state and the nonprofit organ-
15 ization receives additional funding from other governmental or private
16 funding sources for its programs.

17 (15) If a participant in a program funded under this section is an
18 employee of a business organization whose employees are receiving job
19 training under the program and the participant was an employee of that
20 business organization prior to 30 days before the date of the grant
21 application, the business organization shall provide at least 25% of the
22 program's costs, excluding the costs of participants' wages for the time
23 participants are involved in program training. For purposes of meeting
24 the 25% match requirement, small business organizations with 250 or fewer
25 employees worldwide at the time of application may include the costs of
26 pretraining needs assessments and wages paid to participants while
27 enrolled in training. This subsection does not apply to an individual

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1 who becomes a new employee of a business organization as a result of the
2 individual's participation in the program.

3 (16) A grant awarded to an economic development job training grant
4 recipient that guarantees a predetermined number of specified jobs for
5 new employees that are directly related to the participant's area of
6 training or for existing employees shall be paid to the grant recipient
7 according to the following schedule:

8 (a) 40% of the grant amount shall be paid within 30 days after the
9 grant is awarded.

10 (b) 40% of the grant amount shall be paid at the completion of the
11 training period, after the grant recipient submits to the department an
12 interim report specifying actual costs of the training program and train-
13 ing outcomes of the students.

14 (c) 20% of the grant amount shall be paid at the conclusion of the
15 grant period, as determined by the department.

16 (17) A recipient of a grant under this section shall allow the
17 department of Michigan jobs commission or the department's designee to
18 audit all records related to the grant for all entities that receive
19 money, either directly or indirectly through a contract, from the grant
20 funds. A grant recipient or contractor shall reimburse the state for all
21 disallowances found in the audit.

22 (18) The department of Michigan jobs commission shall provide to the
23 state budget director and the house and senate fiscal agencies by April
24 15 and November 1 of each year a report on the economic development job
25 training grants. The report due by April 15 shall provide the informa-
26 tion described in this subsection for each grant or contract awarded
27 during the preceding 2 quarters of the state fiscal year. The report due

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1 by November 1 shall provide this information for each grant or contract
2 awarded during the preceding full fiscal year. The report shall contain
3 all of the following:

4 (a) The amount and recipient of each grant or contract.

5 (b) The number of participants under each grant or contract and the
6 number of new hires who are in training under the grant.

7 (c) The names, addresses, and total number of employees of all busi-
8 ness organizations for whom training is or will be provided.

9 (d) The matching funds, if any, to be provided by a business
10 organization.

11 Sec. 407. (1) The appropriation in part 1 to the department of
12 Michigan jobs commission for the work first program shall be expended for
13 grants which provide employment and training services to public assist-
14 ance recipients.

15 (2) An applicant may be a district, intermediate district, community
16 college, public or private nonprofit college or university, nonprofit
17 organization that provides school-to-work transition programs or that
18 provides employment and training services or vocational rehabilitation
19 programs or state licensed accredited vocational or technical education
20 programs, proprietary school licensed by the state board, local workforce
21 development board, or a consortium consisting of any combination of dis-
22 tricts, intermediate districts, community colleges, nonprofit organiza-
23 tions described in this subdivision, licensed proprietary schools, or
24 public or private nonprofit colleges or universities described in this
25 subdivision.

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1 (3) The department of Michigan jobs commission shall make every
2 effort to place a minimum of 25% of clients who participate in the work
3 first program in positions that provide wages of \$5.00 per hour or more.

4 (4) When the work first job search requirements have been completed,
5 if the participant has not found employment, the work first site shall
6 provide a written summary to the family independence agency which identi-
7 fies the barriers which may have prevented the participant from obtaining
8 employment and the steps taken by the work first site to assist the
9 client in removing those barriers. The work first site shall also iden-
10 tify appropriate education and job training programs which would be
11 available to the participant.

12 (5) The department of Michigan jobs commission shall submit to the
13 house and senate fiscal agencies and the state budget director by March
14 15, 1999 a report on the work first program, including the number of par-
15 ticipants served under this section, the number of persons who located
16 employment through work first, the average wage of participants who found
17 employment, the number of persons who retained jobs for 90 days, the
18 number of participants placed in employment training and education pro-
19 grams, the number of clients referred to work first who failed to report,
20 and the number of participants referred back to the family independence
21 agency with sanctions recommended by the family independence agency.

22 (6) Work first program participants shall be limited to recipients
23 of the family independence program established under section 57a of the
24 social welfare act, 1939 PA 280, MCL 400.57a, and such individuals
25 referred to a job club program by a county family independence agency
26 board or a county friend of the court as long as the participation in the
27 job club is part of an application made under this section.

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1 (7) Participants in the work first program shall not be enrolled and
2 counted in membership in a school district or intermediate school
3 district.

4 (8) A grant awarded under this section may extend beyond the end of
5 the fiscal year in which the grant is awarded and the funds awarded for
6 the grant may be available in the subsequent fiscal year for payment in
7 the next fiscal year.

8 (9) The department of Michigan jobs commission shall provide to the
9 state budget director and the house and senate fiscal agencies by April
10 15 and November 1 of each year a report on the work first grants. The
11 report due by April 15 shall provide the information described in this
12 subsection for each grant or contract awarded during the preceding 2
13 quarters of the state fiscal year. The report due by November 1 shall
14 provide this information for each grant or contract awarded during the
15 preceding full fiscal year. The report shall contain both of the
16 following:

17 (a) The amount and recipient of each grant or contract.

18 (b) The number of participants in each service delivery area and the
19 number of clients placed in employment in each service delivery area.

20 (10) The department of Michigan jobs commission will work with the
21 family independence agency to coordinate support services to work first
22 participants relating to special/emergency needs.

23 (11) Work first program participants must receive or be provided an
24 explanation of the program including their benefits and responsibilities
25 before the job interview phase of the program.

26 Sec. 408. The department of Michigan jobs commission shall continue
27 to maintain all files, lists, resources, and computer information of the

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1 Michigan child care clearinghouse. All clearinghouse assets shall
2 continue to be available to all Michigan citizens at a location desig-
3 nated by the executive branch of government.

4 Sec. 409. The travel administration may establish and collect a fee
5 to cover the cost of materials and processing of photographic prints,
6 slides, videotapes, and travel product data base information that are
7 requested by the media and other segments of the public and private
8 sectors. The fees collected shall be appropriated for all expenses nec-
9 essary to purchase and distribute these photographic prints, slides, vid-
10 eotapes, and travel product data base information. The funds are avail-
11 able for expenditure when they are received by the department of
12 treasury.

13 Sec. 410. (1) The department of Michigan jobs commission shall
14 submit an annual status report on the operations of each foreign office
15 and the office of international and business development to the regula-
16 tory subcommittees of the house and senate appropriations committees.
17 The report shall include, but not be limited to, brochures and promo-
18 tional material, information on the number of successful plant locations,
19 name of company, original and new locations, type of investment, type of
20 product, number employed, length of commitment of relocations, the cur-
21 rency rates at the time the investment is made, and any other information
22 considered necessary for a competent evaluation of the program.

23 (2) The department of Michigan jobs commission shall inform the mem-
24 bers of the regulatory subcommittees of the house and senate appropria-
25 tions committees of any decisions to close any foreign outreach office.
26 Tax dollars shall not be expended to ship automobiles for use by state
27 officials.

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1 Sec. 411. Funding provided to the development finance agency grant
2 and loan program established in 1984 PA 236 shall be utilized to estab-
3 lish a revolving loan fund and shall carry forward until the purposes for
4 which the sums were appropriated are completed. The department of
5 Michigan jobs commission may loan, contract, or grant, or any combination
6 thereof, the funds and earnings of this revolving loan fund for the
7 express public purpose of helping to promote the formation of minority
8 owned business development investment companies, with incentives to
9 encourage the financing of minority owned businesses.

10 Sec. 412. The \$452,900.00 appropriated in part 1 for precollege
11 programs in engineering and the sciences shall be provided in the form of
12 a grant to the Detroit precollege engineering programs, incorporated.

13 Sec. 413. Funds appropriated to the department of Michigan jobs
14 commission, Michigan promotion program, shall not be expended for the
15 purpose of nontourism-related promotional projects that would target the
16 citizens of this state as its prime audience.

17 Sec. 414. (1) The appropriation in part 1 to the department of
18 Michigan jobs commission includes funds for a university/business
19 research development program. Before distribution of any grants under
20 this program, the department of Michigan jobs commission shall submit to
21 the chairpersons of the regulatory subcommittees of the house and senate
22 appropriations committees a list of the grants recommended for
23 distribution.

24 (2) The department of Michigan jobs commission shall submit not
25 later than December 1, 1998 to the regulatory subcommittees of the house
26 and senate appropriations committees, the house and senate fiscal
27 agencies, and the state budget director an annual report for the

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1 immediately preceding fiscal year regarding the university/business
2 research development program. The report shall include, but is not
3 limited to, an accounting of each grant awarded through the program,
4 specifying the grantee and the amount awarded, and a review of the per-
5 formance and accomplishments of the program during the review period.

6 Sec. 415. (1) The department of Michigan jobs commission,
7 K. I. Sawyer base conversion authority, may receive and expend federal,
8 state restricted, and private revenue funds in accordance with 1993
9 PA 159, MCL 3.571 to 3.580.

10 (2) The department of Michigan jobs commission shall submit a semi-
11 annual report to the department of management and budget and the fiscal
12 agencies of the house and senate concerning the following:

13 (a) Expenditures.

14 (b) Funds received but not appropriated by the state.

15 Sec. 416. The department of Michigan jobs commission shall submit
16 an annual status report to the regulatory subcommittees of the house and
17 senate appropriations committees on all activities, grants, and invest-
18 ment programs financed from the strategic fund. Each report shall pro-
19 vide a list of individual grants and loans made from the fund.

20 Sec. 417. The department of Michigan jobs commission shall submit
21 an annual report to the regulatory subcommittees of the house and senate
22 appropriations committees on all activities of the Michigan film office.

23 Sec. 418. The department of Michigan jobs commission may receive
24 and expend contributions from the Michigan strategic fund to procure or
25 acquire services, studies, and analyses on behalf of the fund which the
26 fund determines are necessary to carry out its functions and duties.

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1 Sec. 419. Any funds appropriated to the department of Michigan jobs
2 commission for fiscal year 1998-99 that are committed or encumbered in a
3 contractual agreement may be available in the subsequent fiscal year
4 until the project specified in the contractual agreement is completed. A
5 listing of the contractual agreements shall be forwarded to the regula-
6 tory subcommittees not later than November 30, 1999.

7 Sec. 420. The local match requirements for vocational rehabilita-
8 tion facilities establishment grants shall not exceed 21.3%.

9 Sec. 421. Funds earned or authorized by the United States depart-
10 ment of labor in excess of the gross appropriation in part 1 for the
11 employment service agency from the United States department of labor are
12 appropriated and may be expended for staffing and related expenses
13 incurred in the operation of its programs. These funds may be spent
14 after the department of Michigan jobs commission notifies the regulatory
15 subcommittees of the house and senate appropriations committees of the
16 purpose and amount of each grant award.

17 Sec. 422. (1) This appropriation act includes funding for depart-
18 mental operations financed in whole or in part from early retirement sav-
19 ings generated through the early retirement program under section 19f of
20 the state employees' retirement act, 1943 PA 240, MCL 38.19f. The direc-
21 tor of the department of Michigan jobs commission shall provide a report
22 that identifies all of the following:

23 (a) The amount of these early retirement savings realized in the
24 1997-98 fiscal year.

25 (b) The amount of these early retirement savings explicitly ear-
26 marked and spent for technology improvements in the 1997-98 fiscal year.

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1 (c) The amount of these early retirement savings used for other
2 organizational enhancements in the 1997-98 fiscal year.

3 (2) The report required under subsection (1) shall be provided to
4 the house and senate appropriations committees and to the house and
5 senate fiscal agencies on or before December 15, 1998.

6 Sec. 423. (1) The department shall submit to the department of man-
7 agement and budget, house and senate appropriations committees, house and
8 senate fiscal agencies, and house and senate standing committees having
9 jurisdiction over technology issues quarterly reports on the department's
10 efforts to change the department's computer software and hardware as nec-
11 essary to perform properly in the year 2000 and beyond. These reports
12 shall identify actual progress in comparison to the department's approved
13 work plan for these efforts. These reports shall also identify and for-
14 ward as appropriate the funding sources that should support the work
15 performed.

16 (2) The department may present progress billings to the department
17 of management and budget for the costs incurred in changing computer
18 software and hardware as necessary to perform properly in the year 2000
19 and beyond. At the time progress billings are presented for reimburse-
20 ment, the department shall identify and forward as appropriate the fund-
21 ing sources that should support the work performed.

22 Sec. 424. The department of Michigan jobs commission shall report
23 to the regulatory subcommittees of the house and senate appropriations
24 committees by September 30, 1999, on the distribution of the Michigan
25 community service commission volunteer investment grants.

26 Sec. 425. The department of Michigan jobs commission shall submit
27 to the chairpersons of the regulatory subcommittees of the house and

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1 senate appropriations committees and to the house and senate fiscal
2 agencies by December 31, 1998 a report on efforts to contract out serv-
3 ices to support the Michigan welcome centers as recommended by the feasi-
4 bility study required under section 429 of 1997 PA 104.

5 Sec. 426. Of the funds appropriated in part 1 for economic develop-
6 ment job training grants, the department shall not use these funds to
7 finance the startup or in any way subsidize any private distributor of
8 liquor products in Michigan.

9 Sec. 427. State and federal funds allocated to local workforce
10 development boards for disbursement shall not be appropriated unless the
11 local workforce development boards maintain a partnership with governmen-
12 tal agencies, public school districts, and public colleges located within
13 the local service delivery area. State and federal funds shall not be
14 appropriated to any local workforce developmental board for disbursement
15 if areas with a population base of 200,000 or more are not permitted to
16 be designated as service delivery areas.

17 Sec. 428. Any funds received by interdepartmental grant, contract,
18 or otherwise from the family independence agency for initiating an
19 enhanced technical vocational program shall meet the criteria described
20 in the family independence agency budget relative to that program.

21 Sec. 429. The department of Michigan jobs commission shall work
22 cooperatively with the department of civil service to identify state
23 employees who will lose their jobs as a result of an agency or program
24 being reorganized, modified, or eliminated and shall develop training
25 programs and provide training to these individuals that will provide them
26 an opportunity and skills necessary to secure new employment within state
27 government or the private sector. The department of Michigan jobs

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1 commission shall submit to the regulatory subcommittees of the house and
2 senate appropriations committees annual reports on its activities and
3 progress.

4 Sec. 430. Funds appropriated to the department of Michigan jobs
5 commission for economic development job training grants shall not be
6 expended to train employees above first level management in supervision
7 hierarchy who are employed by a business organization whose gross annual
8 revenues exceed \$1,000,000.00.

9 Sec. 431. The \$344,700.00 appropriated in part 1 for trade academy
10 grants shall be expended to establish a precollege program in engineering
11 and the sciences in Kent County.

12 Sec. 432. Of the funds appropriated in part 1 for the department of
13 Michigan jobs commission employment service, no more than 2% of the funds
14 allocated to Michigan works! agencies for employment service delivery may
15 be expended for Michigan works! agency administrative costs.

16 Sec. 433. Of the funds appropriated in part 1 for the department of
17 Michigan jobs commission employment service, if DOL-ETA, employment serv-
18 ice funds are withheld by the United States department of labor, the
19 department of Michigan jobs commission shall use economic development job
20 training grant funds to fund employment service allocations.

21 Sec. 434. On or before October 1, 1998, each Michigan works! agency
22 shall hold a public hearing on its employment service plan for fiscal
23 year 1998-99. The plan shall include what services are to be delivered,
24 how services are to be delivered, the anticipated number of individuals
25 to be registered for work, and the anticipated number of registrants who
26 will be placed in jobs. The department of Michigan jobs commission shall
27 submit a status report on the employment service program to the

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1 regulatory subcommittees of the house and senate appropriations
2 committees and the house and senate fiscal agencies on or before March 1,
3 1999 and September 1, 1999. The report shall include the number of indi-
4 viduals who registered for work, the number of job openings listed by
5 employers, the number of registrants placed in jobs, and the cost per
6 placement.

7 Sec. 435. The grant appropriated in section 103(6) to the Michigan
8 department of natural resources shall be used for the operation of the
9 civilian conservation corps camp at Alberta and to recruit program
10 enrollees.

[Sec. 435a. Of the funds appropriated in section 103(6) for vocational rehabilitation independent living, not less than \$3,000,000.00 shall be used for the support of centers for independent living which are in compliance with federal standards for such centers, for the development of new centers in areas presently unserved or underserved, for technical assistance to centers, and for projects to build capacity of centers to deliver independent living services. Applications for such funds shall be reviewed in accordance with criteria and procedures established by the statewide independent living council, the Michigan rehabilitation services unit within the department of Michigan jobs commission, and the Michigan commission for the blind. Funds must be used in a manner consistent with the priorities established in the state plan for independent living.]

11 Sec. 436. From the funds appropriated in section 103(6) for voca-
12 tional rehabilitation independent living, \$50,000.00 shall be distributed
13 to the superior alliance for independent living in Marquette County.

14 Sec. 437. Of the funds appropriated in section 103(6) for Michigan
15 community service commission subgrantees, not less than \$225,000.00 shall
16 be distributed to Lutheran social services of Marquette County.

17 Sec. 438. (1) The Michigan works agency together with the family
18 independence agency shall conduct a face-to-face meeting with each indi-
19 vidual who attends the joint orientation for work first, if requested by
20 that individual, to conduct a joint assessment of each individual's job
21 readiness and any barriers to work of the individual including, but not
22 limited to, household members' child care needs, health status, work and
23 school schedules, domestic violence issues, education deficits or learn-
24 ing disabilities, lack of job skills, lack of transportation, and any
25 other factors.

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(2) The family independence agency and the Michigan works agency shall inform each individual who attends the joint orientation described in subsection (1) as to the right to request a face-to-face meeting.

(3) The Michigan jobs commission in consultation with the family independence agency shall develop a standardized joint assessment form to be used separately or in conjunction with additional locally developed assessment instruments or forms.

8 Sec. 439. The [] family independence
9 agency [, in conjunction with the department of Michigan jobs commission,]
shall study the outcomes for recipients who have participated in
10 work first and shall submit semiannual reports on the progress and find-
11 ings of the study to the house and senate subcommittees dealing with
12 appropriations for the family independence agency and for regulatory
13 services and to the standing committees dealing with human services
14 beginning November 1, 1998. The study shall examine whether the former
15 participants have:

16 (a) Obtained jobs.

17 (b) The kind of jobs they have obtained.

18 (c) How long they have retained those jobs.

19 (d) Current hourly wages.

20 (e) Whether they are receiving basic health care benefits, tuition
21 reimbursement, or training from their employers.

22 (f) Whether they continue to receive other types of public
23 assistance.

24 (g) Any other information the departments consider relevant.

25 Sec. 440. From the funds appropriated in section 103, the depart-
26 ment of Michigan jobs commission in conjunction with the family
27 independence agency shall conduct a study of the effect of the enhanced

1 vocational-technical training program and report the results of the study
2 to the house and senate appropriations regulatory subcommittees not later
3 than November 1, 1998. The study shall examine all of the following
4 about the participants and former participants in the programs:

5 (a) Whether they have obtained jobs.

6 (b) What kind of jobs they have obtained.

7 (c) How long they have retained those jobs and if they have had more
8 than 1 job, how long were they at each job.

9 (d) Current hourly wages.

10 (e) Whether they are receiving basic health care benefits, tuition
11 reimbursement, or training from their employers.

12 (f) Whether they continue to receive any type of public assistance.

13 (g) Any other information the department considers relevant.

[(h) The departments shall acquire data on the factors listed above
for all program participants if there are less than 100 overall
participants in the program. If there are 100 or more program
participants, the departments shall acquire this data from a representative
sample of 10% of the overall number of participants.]

14 Sec. 441. From the funds appropriated in section 103(6) for the
15 enhanced technical vocational training program, the Michigan jobs commis-
16 sion may use up to \$12,500,000.00, but not less than \$4,000,000.00, to
17 administer a program that meets all of the following criteria:

18 (a) The training program shall be available statewide.

19 (b) Eligible participants shall include family independence program
20 recipients and work first clients referred by the family independence
21 agency.

22 (c) Training shall be limited to not longer than 12 months in
23 duration.

24 (d) Training shall be directed to achieving or gaining skills that
25 will lead to a career for the participant.

26 (e) Training shall be reasonably calculated to lead to full-time,
27 skilled employment.

1 (f) Participants may receive any additional support needed to
2 facilitate participation in the training program within reasonable param-
3 eters established by the Michigan jobs commission including, but not
4 limited to, all of the following:

5 (i) Child care, including evening or nighttime care if appropriate.

6 (ii) Transportation.

7 (g) Eligible family independence program recipients [and work first
8 clients] that commence training will be allowed to
9 complete training.

[Sec. 442. (1) The department of Michigan jobs commission shall have at least 1 disabled veterans outreach program specialist or local veterans employment representative present at each Michigan works! employment services office during hours of operation.

(2) The department of Michigan jobs commission shall ensure that each Michigan works! employment services office shall have the necessary equipment to allow the disabled veterans outreach specialist or local veterans employment representative to perform his or her duties in the same manner they were performed prior to February 1, 1998.

(3) The department of Michigan jobs commission shall require each Michigan works! employment services office to have an employee available to ask each individual who enters the office for service whether that individual is a veteran and to refer each veteran to the disabled veterans outreach program specialist or local veterans employment representative on duty at the time.

(4) The department of Michigan jobs commission shall require that each Michigan works! employment services office shall have posted in a conspicuous place within the office a notice advising veterans that a disabled veterans outreach program specialist or a local veterans employment representative is available to assist him or her.

(5) The department of Michigan jobs commission shall require each Michigan works! employment services office to provide free mediated services to employers wishing to hire a veteran.

Sec. 443. The department of Michigan jobs commission shall conduct a study in conjunction with the family independence agency and the Michigan department of transportation of the accessibility of transportation for work first clients to get them to work assignments and child care. The study shall address the concept of mobility managers for each zone in the state. The results of the study shall be reported to the regulatory subcommittees of the house and senate appropriations committees by March 1, 1999.

Sec. 444. Any individual who receives funds under this act to pay traffic or parking fines shall reimburse that amount to the paying entity.

Sec. 445. The department of Michigan jobs commission shall not close a welcome center.

Sec. 446. Of the Michigan promotion program \$500,000.00 shall be utilized for a welcome and promotion center at Detroit Metropolitan Airport.]