



House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

OFFICIAL ADMINISTRATIVE CODE ON THE INTERNET

House Bill 4326 (Substitute H-1) First Analysis (5-22-03)

Sponsor: Rep. Chris Ward
Committee: Government Operations

THE APPARENT PROBLEM:

The Michigan Administrative Code is a compilation of all adopted rules and regulations that are in effect in the State of Michigan. (Administrative rules are adopted, or “promulgated”, by executive branch agencies in order to implement legislation enacted by the legislature. Generally speaking, rules are much more specific than legislation, are intended to guide those who enforce laws and those who are governed by them, and are supposed to be based on the legislature’s intent in enacting a particular law.) The Michigan Administrative Code is published periodically, and each year an annual supplement to the code is published that contains all rules promulgated in final form during the preceding year. In addition, the Michigan Register is a twice monthly publication that contains all proposed administrative rules, notices of public hearings on proposed administrative rules, and administrative rules filed with the secretary of state (i.e., finalized) by state agencies. Together, the Michigan Administrative Code, the annual supplements to the code, and the Michigan Register are a comprehensive source of regulatory information.

Prior to 1999, the Legislative Service Bureau published the Michigan Administrative Code, the annual supplements, and the Michigan Register. Public Act 262 of 1999 transferred these tasks to the Office of Regulatory Reform in the Executive Office of the Governor. (Related legislation also substantially transformed the procedures for processing administrative rules, and the legislature’s role in approving or disapproving rules.)

Current law requires the Office of Regulatory Reform to publish the code and the related updates in printed format, and also requires electronic publication on the office’s Internet web site. As a cost saving measure, it has been proposed that the electronic version be considered the official version, and that the requirement for printing this material be eliminated.

THE CONTENT OF THE BILL:

The Administrative Procedures Act requires the Office of Regulatory Reform (ORR) to publish the Michigan Register, the Michigan Administrative Code, and the annual supplement to the Michigan Administrative Code. The act requires the office to publish a sufficient number of copies of these items so that the Department of Management and Budget may provide copies to each member of the House of Representatives and the Senate, and to hold additional copies for sale for a price set to cover publication and distribution costs. The act also provides that a person may subscribe to these publications by paying a subscription price that covers publication and distribution costs. Public Act 262 of 1999 required the ORR to make the code and the annual supplements available free of charge on the Internet and in printed or other electronic format for public subscription at a fee reasonably calculated to cover publication and distribution costs.

House Bill 4326 would amend these provisions to specify instead that the official Michigan Administrative Code is the version published or made available on the Office of Regulatory Reform’s Internet web site free of charge. Under the bill, the ORR would be required to publish the Michigan Administrative Code, the annual supplement to the Michigan Administrative Code, and the Michigan Register free of charge on the ORR Internet web site and could publish them in printed or other electronic format for public subscription at a fee reasonably calculated by the Department of Management and Budget to cover, but not exceed, the publication and distribution costs, with any revenue to be deposited in the state’s general fund.

The bill also would permit a person to subscribe to the code, supplements, and register (as is the case now) if the ORR made available printed versions of the publications.

MCL 24.255 and 24.259

House Bill 4326 (5-22-03)

FISCAL IMPLICATIONS:

Testimony before the House Government Operations Committee by the sponsor (and confirmed by the Department of Regulatory Reform) estimated the cost savings from the bill at \$46,000.

ARGUMENTS:

For:

The aim of the bill is to save the printing costs associated with the required printing by the state of the Michigan Administrative Code, the annual supplements to the code, and the Michigan Register. The sponsor of the legislation testified that this will save about \$46,000 annually. Since the information will be available on the web site of the Office of Regulatory Reform, there will be no affect on the public's access to this valuable information. The ORR could still make printed versions of the information available at a charge sufficient to cover printing costs. Testimony from the ORR indicated that few copies of this material are printed now. Paid subscriptions are down while web sites "hits" are up (to perhaps 20,000 hits per month), reflecting a change in the way people do this kind of research.

POSITIONS:

The Office of Regulatory Reform supports the bill.
(5-21-03)

Analyst: D. Martens/C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.