



Licensing and Regulatory Affairs

General Overview

The Department of Licensing and Regulatory Affairs (LARA) was created by Executive Order (E.O.) 2011-4 and primarily consists of programs from the former Department of Energy, Labor and Economic Growth (DELEG). During the transition from DELEG to LARA, a number of programs, primarily those related to job training and workforce development, were transferred out of the department. LARA's mission primarily focuses on licensing and regulation, as its name suggests.

Major Divisions and Programs

Public Service Commission (PSC). The PSC is a three-member, Governor-appointed Commission which regulates all public utilities and motor carriers in the State except those restricted by law. Regulation of this industry includes the responsibility to set rates, fares, fees, charges, and services. Public utilities include electric light and power companies, local telephone service, and oil and gas pipeline companies. Additionally the Commission is responsible for registering motor carriers of property.

Michigan Liquor Control Commission (MLCC). The MLCC consists of five members appointed by the Governor with the advice and consent of the Senate for staggered four-year terms. Michigan is a "control" state which means that the Commission is responsible for controlling alcoholic beverage traffic including the manufacture, importation, possession, transportation, and sale of alcohol within the State. Primary funding for this unit comes from the Liquor Purchase Revolving Fund which receives revenue from the collection of specific and excise taxes on beer, wine, distilled, and mixed spirits and a 65.0% markup on distilled spirits. The balance of this Fund then is deposited into the General Fund at year end, and contributes over \$170.0 million to the General Fund annually.

Occupational Regulation. This unit of the LARA budget consists of a number of areas including fire services, professional licensing including healthcare professions, the Michigan Medical Marihuana program, certain types of building inspections, and regulation of health facilities.

Michigan Occupational Health and Safety Administration (MIOSHA). MIOSHA oversees laws and regulations regarding workplace health and safety. These responsibilities include: construction safety standards, training and consultation to Michigan businesses, investigation of complaints by workers who allege discrimination for exercising rights under the MIOSHA Act, general industry safety and health, injury and enforcement statistics, safety education and training grants, and appeals. Also in the MIOSHA appropriation unit are the Radiological Health Administration, which enforces standards on radiological machines and facilities, and the Wage and Hour Division, which investigates allegations of violations of State and Federal wage and hour laws.

Employment Services. This unit of LARA consists of the Workers' Compensation Agency (WCA), the Bureau of Services for Blind Persons (BSBP), the Michigan Employment Relations Commission (MERC), and the Unemployment Insurance Agency (UIA). The WCA ensures compliance with State workers' compensation laws and administers the three State funds that are used for certain workers' compensation cases. The BSBP provides services and employment opportunity for blind persons with the goal of achieving independence. The MERC regulates employers, labor organizations, and employees in collective bargaining and labor relations, and

also provides mediation, fact-finding, and arbitration during labor disputes. The UIA administers Michigan's unemployment insurance system. The UIA will be transferred to the new Department of Talent and Economic Development per E.O. 2014-12 later this year, unless the E.O. is rejected by the Legislature.

Michigan Administrative Hearing System (MAHS). MAHS provides administrative hearing services for all State departments and agencies. Also within this unit of the LARA budget is the Michigan Compensation Appellate Commission and Board of Magistrates. These groups administer hearings for contested and appealed workers' compensation cases.