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Article 9

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 9-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of insurance and financial services are appropriated for the fiscal year ending September 30, 2025, and are anticipated to be appropriated for the fiscal year ending September 30, 2026, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2025

For Fiscal
Year Ending
Sept. 30, 2026

1	DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	395.5	395.5
5	GROSS APPROPRIATION	\$ 77,771,400	\$ 77,521,400
6	Total interdepartmental grants and intradepartmental		
7	transfers	753,500	753,500
8	ADJUSTED GROSS APPROPRIATION	\$ 77,017,900	\$ 76,767,900
9	Total federal revenues	700,000	700,000
10	Total local revenues	0	0
11	Total private revenues	0	0
12	Total other state restricted revenues	76,317,900	76,067,900
13	State general fund/general purpose	\$ 0	\$ 0
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>0</i>	<i>0</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>	<i>0</i>
17	Sec. 9-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	23.5	23.5
20	Unclassified salaries-6.0 FTE positions	\$ 955,500	\$ 955,500
21	Administrative hearings	173,700	173,700
22	Department services-20.0 FTE positions	4,127,900	4,127,900
23	Executive director programs-3.5 FTE positions	916,800	916,800
24	Property management	1,389,100	1,389,100
25	Worker's compensation	<u>1,200</u>	<u>1,200</u>
26	GROSS APPROPRIATION	\$ 7,564,200	\$ 7,564,200
27	Appropriated from:		
28	Interdepartmental grant revenues:		
29	IDG from department of licensing and regulatory		
30	affairs	72,100	72,100
31	Special revenue funds:		
32	Other state restricted revenues	7,492,100	7,492,100

	For Fiscal Year Ending Sept. 30, 2025	For Fiscal Year Ending Sept. 30, 2026
1 State general fund/general purpose	\$ 0	\$ 0
2 Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION		
3 Full-time equated classified positions.....	372.0	372.0
4 Consumer services and protection-102.0 FTE positions .	\$ 15,970,600	\$ 15,970,600
5 Financial institutions evaluation-140.0 FTE positions	25,574,900	25,574,900
6 Insurance evaluation-130.0 FTE positions	<u>26,042,600</u>	<u>26,042,600</u>
7 GROSS APPROPRIATION	\$ 67,588,100	\$ 67,588,100
8 Appropriated from:		
9 Interdepartmental grant revenues:		
10 IDG from department of licensing and regulatory		
11 affairs	656,200	656,200
12 Federal revenues:		
13 Other federal revenues	700,000	700,000
14 Special revenue funds:		
15 Other state restricted revenues	66,231,900	66,231,900
16 State general fund/general purpose	\$ 0	\$ 0
17 Sec. 9-104. INFORMATION TECHNOLOGY		
18 Information technology services and projects	<u>\$ 2,369,100</u>	<u>\$ 2,369,100</u>
19 GROSS APPROPRIATION	\$ 2,369,100	\$ 2,369,100
20 Appropriated from:		
21 Interdepartmental grant revenues:		
22 IDG from department of licensing and regulatory		
23 affairs	25,200	25,200
24 Special revenue funds:		
25 Other state restricted revenues	2,343,900	2,343,900
26 State general fund/general purpose	\$ 0	\$ 0
27 Sec. 9-105. ONE-TIME APPROPRIATIONS		
28 Insurance complaints and health care appeals outreach		
29 campaign	<u>\$ 250,000</u>	<u>\$ 0</u>
30 GROSS APPROPRIATION	\$ 250,000	\$ 0
31 Appropriated from:		
32 Special revenue funds:		

1	Other state restricted revenues	250,000	0
2	State general fund/general purpose	\$ 0	\$ 0

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PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2025

8 **GENERAL SECTIONS**

9 Sec. 9-201. Pursuant to section 30 of article IX of the state constitution of 1963,
10 total state spending from state sources under part 1 for the fiscal year 2025 is
11 \$76,317,900.00 and state spending from state sources to be paid to local units of
12 government for fiscal year 2025 is \$0.00.

13 Sec. 9-202. The appropriations authorized under this article are subject to the
14 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

15 Sec. 9-203. As used in this article:

- 16 (a) "Department" means the department of insurance and financial services.
- 17 (b) "Director" means the director of the department.
- 18 (c) "FTE" means full-time equated.
- 19 (d) "IDG" means interdepartmental grant.

20 Sec. 9-204. From the funds appropriated in part 1, the departments and agencies shall
21 use the internet to fulfill the reporting requirements of this part. This requirement shall
22 include transmission of reports via email to the recipients identified for each reporting
23 requirement, and it shall include placement of reports on an internet site.

24 Sec. 9-205. To the extent permissible under section 261 of the management and budget
25 act, 1984 PA 431, MCL 18.1261, all of the following apply:

- 26 (a) The funds appropriated in part 1 must not be used for the purchase of foreign
27 goods or services, or both, if competitively priced and of comparable quality American
28 goods or services, or both, are available.
- 29 (b) Preference must be given to goods or services, or both, manufactured or provided
30 by Michigan businesses, if they are competitively priced and of comparable quality.
- 31 (c) Preference must be given to goods or services, or both, that are manufactured or
32 provided by Michigan businesses owned and operated by veterans, if they are competitively

1 priced and of comparable quality.

2 Sec. 9-206. To the extent permissible under the management and budget act, 1984 PA
3 431, MCL 18.1101 to 18.1594, the director of each department and agency receiving
4 appropriations in part 1 shall take all reasonable steps to ensure that geographically
5 disadvantaged business enterprises, as defined in Executive Directive 2023-1, compete for
6 and perform contracts to provide services or supplies, or both. Each director shall
7 strongly encourage firms with which the department or agency contracts to subcontract with
8 certified geographically disadvantaged business enterprises for services, supplies, or
9 both.

10 Sec. 9-207. Consistent with section 217 of the management and budget act, 1984 PA
11 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
12 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
13 travel report shall be a listing of all travel by classified and unclassified employees
14 outside this state in the immediately preceding fiscal year that was funded in whole or in
15 part with funds appropriated in the department's or agency's budget. The department shall
16 submit the report to the house and senate appropriations committees and to the report
17 recipients required in section 213 of this part. The report shall include all of the
18 following information:

19 (a) The dates of each travel occurrence.

20 (b) The total transportation and related costs of each travel occurrence, including
21 the proportion funded with state general fund/general purpose revenues, the proportion
22 funded with state restricted revenues, the proportion funded with federal revenues, and the
23 proportion funded with other revenues.

24 Sec. 9-208. Funds appropriated in part 1 shall not be used by a principal executive
25 department, state agency, or authority to hire a person to provide legal services that are
26 the responsibility of the attorney general. This prohibition does not apply to legal
27 services for bonding activities and for those outside services that the attorney general
28 authorizes.

29 Sec. 9-209. Not later than December 15, the state budget office shall prepare and
30 transmit a report that provides for estimates of the total general fund/general purpose
31 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
32 projected year-end general fund/general purpose appropriation lapses by major departmental

1 program or program areas. The state budget office shall submit the report to the senate and
2 house appropriations committees and the senate and house fiscal agencies.

3 Sec. 9-210. (1) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These
5 funds are not available for expenditure until they have been transferred to another line
6 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
7 MCL 18.1393.

8 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
9 not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not
10 available for expenditure until they have been transferred to another line item in this
11 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

12 Sec. 9-211. (1) Money appropriated in part 1 shall not be used to restrict or impede
13 a marginalized community's access to government resources, programs, or facilities.

14 (2) From the funds appropriated in part 1, local governments shall report any action
15 or policy that attempts to restrict or interfere with the duties of the local health
16 officer.

17 Sec. 9-213. Except as otherwise provided in this part, all reports required under
18 this part shall be submitted to the senate and house appropriations subcommittees on the
19 department budget, the senate and house fiscal agencies, the senate and house policy
20 offices, and the state budget office.

21 Sec. 9-216. On a quarterly basis, the department shall report to the senate and house
22 appropriations committees and the report recipients required in section 213 of this part a
23 comparison by line item of the number of FTEs authorized from funds appropriated in part 1
24 to the actual number of FTEs employed by the department at the end of the reporting period.

25 Sec. 9-223. Unless prohibited by law, the department may accept credit card or other
26 electronic means of payment for licenses, fees, or permits.

27 Sec. 9-226. From the funds appropriated in part 1 from the insurance bureau fund,
28 funds may be expended to support legislative participation in insurance activities
29 coordinated by insurance and legislative associations, in accordance with section 225 of
30 the insurance code of 1956, 1956 PA 218, MCL 500.225.

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32 **INSURANCE AND FINANCIAL SERVICES REGULATION**

1 Sec. 9-302. In addition to the funds appropriated in part 1, the funds collected by
2 the department in connection with a conservatorship under section 32 of the mortgage
3 brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
4 collected by the department from corporations being liquidated under the insurance code of
5 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary
6 to provide for the required services. Funds are available for expenditure when they are
7 received by the department of treasury and must not lapse to the general fund at the end of
8 the fiscal year.

9 Sec. 9-303. The department may make available to interested entities customized
10 listings of nonconfidential information in its possession. The department may establish and
11 collect a reasonable charge to provide this service. The revenue from this service is
12 appropriated when received and must be used to offset expenses to provide the service. Any
13 balance of this revenue collected and unexpended at the end of the fiscal year must lapse
14 to the appropriate restricted fund.