


SFA BILL ANALYSIS

Senate Fiscal Agency • Lansing, Michigan 48909 • (517) 373-5383

RECEIVED

JUL 15 1988

House Bill 4820 (Substitute H-2)
 Sponsor: Representative Michael J. Griffin
 First House Committee: State Affairs
 Second House Committee: Appropriations
 Senate Committee: Health Policy

Mich. State Law Library

Date Completed: 6-21-88

SUMMARY OF HOUSE BILL 4820 (Substitute H-2) as passed by the House:

The bill would amend the State License Fee Act to:

- Institute new fee structures--such as application processing fees, annual license fees, and examination fees--that would replace current fee structures for occupations covered under the Act.
- Require the Department of Licensing and Regulation to charge a \$20 late renewal fee if a person failed to renew a license or registration on or before the expiration date prescribed by the Department by rule.
- Increase from \$5 to \$10 the fee for a duplicate license or registration.
- Permit the Department to charge a \$5 fee for providing written verification that a person was or was not licensed or registered at the time of the verification request. If the person requesting written verification sought specific detailed information beyond the information described in the bill, the charge for verification would be \$15.
- Allow the Department to charge a \$10 fee for correcting its records and issuing a new document when a person notified the Department of a change of name, address, or employer. If the change did not require the issuance of a new document, no charge could be made.
- Increase from \$3 to \$5 the amount of each real estate license fee that is deposited with the State Treasurer to the credit of the real estate education fund.
- Repeal the current provision on fees for land sales (MCL 338.2235).

(Occupations covered in the Act include: public accountant; architect; professional engineer; landscape architect; barber; marriage counselor; collection agency manager; professional community planner; cosmetologist; manicurist; electrologist; employment agency operator; forester; hearing aid dealer or salesperson; horologist (maker of or dealer in timepieces); real estate broker, associate broker, or salesperson; residential builder or maintenance and alteration contractor or salesperson; myomassologist (masseuse); mortician, embalmer, or funeral director; social worker; nursing home administrator; professional boxer or wrestler; a person

involved in the manufacture, distribution, prescribing or dispensing of controlled substances under Part 73 of the Public Health Code; chiropractor; dentist, dental assistant, or dental hygienist; physician; registered or licensed practical nurse; optometrist; ocularist; osteopathic physician; pharmacist; physical therapist; physician assistant; podiatrist; psychologist; registered sanitarian; and, veterinarian.)

MCL 338.2203 et al.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill, together with House Bill 4822 (which would amend the Occupational Code), would have a fiscal impact on State government of approximately \$565,000 on an annualized basis due to increased fee revenues, and would have no fiscal impact on local government.

Assuming the number of licensees per board would not change, the new fee structure would increase the overall fees collected by some boards and decrease the overall fees collected by other boards. The net effect of the change in fee structure on the Department of Licensing and Regulation fee revenues collected by the Bureau of Health Services and Commercial Services would be an increase in fee revenues of approximately \$400,000 from the current level of \$11,850,000 on an annualized basis, or a 3.3% increase overall.

The real estate education fund would also generate additional revenues under the provisions of House Bill 4820. The annual real estate education fund fee would increase from \$3 to \$5. The fund currently generates approximately \$250,000 in annual revenues. The increase would bring the revenues to around \$415,000 per year for an annual increase of \$165,000.

The increase in Licensing and Regulation fee revenues combined with the increase in real estate education fund revenues provides for a total fee revenue increase of approximately \$565,000.

The Department of Licensing and Regulation would incur no incremental expenses related to the bills.

Fiscal Analyst: J. Schultz

8788 S4820SA:S8788

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.