

Legislative Analysis



AMENDMENTS TO PROVISIONS GRANTING FEE WAIVERS TO VETERANS

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House Bill 5491
Sponsor: Rep. John Walsh

House Bill 5498
Sponsor: Rep. Matt Lori

House Bill 5497
Sponsor: Rep. Robert L. Kosowski

House Bill 5506
Sponsor: Rep. Harvey Santana

Committee: Military and Veteran Affairs
Complete to 5-20-14

A SUMMARY OF HOUSE BILLS 5491, 5497, 5498 AND 5506 AS INTRODUCED

These bills would revise provisions in various statutes that provide fee waivers for certain veterans. Generally speaking, the bills require that the veteran provide to the relevant state agency a form DD214, form DD215, or another acceptable form that demonstrates the veteran was separated from service with an honorable character of service or under honorable conditions (general) character of service.

This replaces references to an honorable discharge. These waivers are already in statute.

House Bill 5491 applies to fees to be paid to the administrator under the Michigan Limited Liability Act (MCL 450.5101).

House Bill 5498 would amend the Nonprofit Corporation Act (MCL 450.3060) to apply to fees otherwise required under that act.

In the two bills above, because they apply to members, shareholders, and directors, additional provisions would require a signed affidavit to accompany the fee waiver request, with the affidavit certifying that a majority of the membership interests (directors, shareholders) were eligible veterans, or if applicable, that a majority of initial membership interests (directors, shareholders) were eligible veterans.

House Bill 5497 would amend the Electrical Administrative Act (MCL 338.883, et al.) to apply to waived fees under that act. It also amends the provision that requires the Department of Licensing and Regulatory Affairs to issue an electrical journeyman's license to any individual who, while on active duty as a member of the armed forces, served as an interior electrician or in an equivalent job classification.

House Bill 5506 would amend the Forbes Mechanical Contractor Act (MCL 338.980) to apply to fees otherwise required under that act.

FISCAL IMPACT:

House Bills 5491, 5497, 5498, and 5506 would not have a significant fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) or local units of government as the bills largely make technical and procedural changes and do not substantially alter the veteran fee exemptions established within the affected public acts except for the expansion of the types of veterans who are eligible for the fee exemption from those who were "honorably discharged" to those who received either an honorable or general discharge. While the number of veterans who would become eligible for the fee exemptions under this change is unknown, it is likely not substantial.

In FY 2012-13, the revenue loss to LARA from the veteran fee exemptions altered under HBs 5491 and 5498 was less than \$2,420, and the annual revenue loss averaged over a three-year period (FY 12-13 through FY 14-15) to LARA from the veteran fee exemptions altered under HBs 5497 and 5506 is estimated at \$102,443 and \$151,620, respectively. Administrative costs to review and (dis)approve veteran fee exemption requests under HBs 5491, 5497, 5498, and 5506 are nominal and will likely continue to remain so.

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Fiscal Analyst: Paul Holland

■ 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.