

Legislative Analysis



CREATE THE LOCAL GOVERNMENT OCCUPATIONAL LICENSING ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bills 5955 and 5956 as introduced
Sponsor: Rep. James A. Lower

Analysis available at
<http://www.legislature.mi.gov>

House Bill 5957 as introduced
Sponsor: Rep. Triston Cole

House Bill 5962 as introduced
Sponsor: Rep. Lee Chatfield

House Bills 5958 and 5959 as introduced
Sponsor: Rep. Thomas A. Albert

House Bill 5963 as introduced
Sponsor: Rep. Jim Lilly

House Bills 5960 and 5961 as introduced
Sponsor: Rep. Jason Wentworth

House Bills 5964 and 5965 as introduced
Sponsor: Rep. Julie Calley

Committee: Local Government
Complete to 5-22-18

BRIEF SUMMARY:

House Bill 5955 would create a new act, the Local Government Occupational Licensing Act. The act would prohibit local units of government from imposing licensing requirements on specific occupations if they do not currently do so; from imposing local licensing requirements beyond those imposed by the state; and from enforcing local licensing requirements on specific occupations that come under state licensing requirements. Existing local licensing requirements could continue.

A series of related bills would amend various statutes to incorporate a reference to the new act. Provisions of the other statutes would be “subject to” the Local Government Occupational Licensing Act.

DETAILED SUMMARY:

Under House Bill 5955, after the effective date of the bill, a *political subdivision* could not impose any *licensing* requirements on any individuals who perform a specific occupation if the political subdivision does not already have licensing requirements for that occupation. A political subdivision could continue to regulate any occupation that is subject to licensing requirements on or before the effective date of the bill.

Political subdivision would mean a city, township, village, or county.

Licensing would mean any training, education, or fee required for an individual to perform work in a specific occupation in a political subdivision, in the state, or in any other governmental unit in the state.

If an occupation is subject to licensing requirements by the Department of Licensing and Regulatory Affairs (LARA) or any other *licensing authority* of the state, a political subdivision could not impose any regulations on that occupation that add additional licensing requirements to those already imposed.

Licensing authority would mean an agency, examining board, credentialing board, or other office of a political subdivision or other governmental unit that has the authority to impose fees or other licensing requirements on an individual as a condition to performing work in a specific occupation in that governmental unit.

If, after the effective date of the bill, LARA or any other licensing authority imposes any new licensing requirements on any occupation that was previously unregulated, and if the political subdivision has licensing requirements for that occupation in effect when the new state licensing requirements take effect, the political subdivision could not continue to enforce its own licensing requirements for that occupation on or after the date the state licensing requirements take effect.

The bill would not apply to licensing requirements that are subject to any of the following sections of Michigan law:

- MCL 339.5733, which allows a municipality to adopt an ordinance to provide standards for the examination and licensing of master electricians, electrical or specialty contractors, electrical journeymen, sign specialists, and fire alarm specialty technicians that are at least as stringent as those established by the Skilled Trades Regulation Act.
- MCL 339.5735, which requires a municipality that does regulate standards for electrical wiring and inspection, as described above, to apply to and be licensed by a board created under the Skilled Trades Regulation Act.
- MCL 338.2152, which allows a city, village, or township to have regulations for elevator licensing as long as the regulations are comparable with state guidelines found in two acts.
- MCL 338.2186, which allows a local unit of government to, among other things, require a permit for high-voltage electrical or plumbing work performed by a security alarm system provider.

The bill would take effect 90 days after being enacted into law. It is tie-barred to all of the bills described below, which means that it cannot take effect unless all of those bills are also enacted.

House Bills 5956 to 5965

The following bills would amend acts that relate to the powers and duties of local governments. In each instance, the bill would add a sentence to state that any regulations, ordinances, or requirements imposed under the applicable act, section, subsection, or subdivision are “subject to” the Local Government Occupational Licensing Act.

- **HB 5956** would amend 1846 RS 16, the statute that governs the powers and duties of townships and township officers.

- **HB 5957** would amend the Home Rule Village Act, which governs the creation and powers and duties of home rule villages.
- **HB 5958** would amend PA 246 of 1945, the act that authorizes township boards to adopt ordinances and regulations related to public health, safety and general welfare.
- **HB 5959** would amend the Charter Township Act, which governs the creation and powers and duties of charter townships.
- **HB 5960** would amend the Home Rule City Act, which governs the creation and powers and duties of home rule cities.
- **HB 5961** would amend the Fourth Class City Act, which governs the creation and powers and duties of fourth class cities.
- **HB 5962** would amend PA 156 of 1851, the act that defines the powers and duties of county boards of commissioners.
- **HB 5963** would amend the General Law Village Act, which governs the creation and powers and duties of general law villages.
- **HB 5964** would amend PA 139 of 1973, the act that allows for the optional unified form of county government.
- **HB 5965** would amend PA 293 of 1966, the act that allows for the establishment of charter counties.

Each bill would take effect 90 days after being enacted into law. Each bill is tie-barred to HB 5955, which means that it cannot take effect unless HB 5955 is also enacted.

FISCAL IMPACT:

Collectively, the bills would have an unknown fiscal impact on state and local governments. It is unknown how many local licensing requirements the provisions of the bills would preempt. Therefore, the bills' effect on employment within the local unit of government cannot be determined.

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