



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

## BILL ANALYSIS



Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bills 5955 through 5965 (as passed by the House)  
Sponsor: Representative James A. Lower (H.B. 5955 & 5956)  
Representative Triston Cole (H.B. 5957)  
Representative Thomas A. Albert (H.B. 5958 & 5959)  
Representative Jason Wentworth (H.B. 5960 & 5961)  
Representative Lee Chatfield (H.B. 5962)  
Representative Jim Lilly (H.B. 5963)  
Representative Julie Calley (H.B. 5964 & 5965)

House Committee: Local Government  
Senate Committee: Michigan Competitiveness

Date Completed: 11-27-18

**CONTENT**

**House Bill 5955 would enact the "Local Government Occupational Licensing Act" to do the following:**

- **Beginning on the Act's effective date, prohibit a political subdivision from imposing licensing requirements on certain occupations if it did not already impose licensing requirements on that occupation.**
- **Specify that if an occupation were subject to licensing requirements imposed by the Department of Licensing and Regulatory Affairs (LARA) or another licensing authority of the State, a political subdivision could not add licensing requirements to those already imposed by the State licensing authority.**
- **Beginning on the Act's effective date, prohibit a political subdivision from enforcing its licensing requirements if a State licensing authority imposed new licensing requirements on an occupation that previously was unregulated by the State.**
- **Specify that the Act would not apply to a licensing requirement that was subject to certain Acts.**

**House Bills 5956, 5957, 5958, 5959, 5960, 5961, 5962, 5963, 5964, and 5965 would amend Chapter 16 of the Revised Statutes of 1846 (which governs the powers and duties of townships), the Home Rule Village Act, Public Act 246 of 1945 (which authorizes township boards to adopt certain ordinances), the Charter Township Act, the Home Rule City Act, Chapter 11 (General Powers of City Corporations) of the Fourth Class City Act, Public Act 156 of 1851 (which defines the powers of county boards of commissioners), Chapter 7 (Powers of Council) of the General Law Village Act, Public Act 139 of 1973 (which provides for forms of county government) , and Public Act 293 of 1966 (which provides for the establishment of charter counties), respectively, to specify that any licensing requirements imposed under the those Acts, or chapters of Acts, would be subject to the Local Government Occupational Licensing Act.**

House Bill 5955 is tie-barred to each of the other bills. House Bills 5956 through 5965 are tie-barred to House Bill 5955. Each bill would take effect 90 days after its enactment.

House Bill 5955 is discussed in greater detail below.

Beginning on the Act's effective date, a political subdivision could not impose any licensing requirements on any individuals who perform a specific occupation if it did not already impose licensing requirements on that occupation; however, it could continue to regulate an occupation that was subject to licensing requirements in that political subdivision on or before that date. "Political subdivision" would mean a city, township, village, or county of the State. "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 were subject to licensing requirements imposed by the LARA or another licensing authority of the State, a political subdivision could not impose any regulations on that occupation that added licensing requirements to those already imposed by the State licensing authority. "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 working in a specific occupation in that governmental unit.

Beginning on the Act's effective date, if LARA or another licensing authority imposed any new licensing requirements on an occupation that was previously unregulated by the State, and if the political subdivision has licensing requirements that regulated that occupation in effect at the time the new State licensing requirements took effect, the political subdivision could not continue to enforce its requirements for that occupation on or after the date when the State licensing requirements took effect.

The Act would not apply to a licensing requirement that was subject to any of the following State laws:

- Sections 733 and 735 of the Skilled Trades Regulation Act (those sections relate to the local regulation of master electricians, electrical or specialty contractors, electrical journeymen, sign specialists, and fire alarm specialty technicians and the registration of apprentice electricians and fire alarm specialty apprentice technicians).
- Section 2 of PA 333 of 1976 (which specifies that the Act, which regulates elevator journeymen, does not apply to a city, village, or township that has regulations comparable to the Act).
- Section 6 of the Security Alarm Systems Act (which allows a local unit of government to regulate certain aspects of security alarm systems, such as decibel limits, length or time period of audible alarm sounding).

Proposed MCL 41.3b (H.B. 5956)  
MCL 78.24 (H.B. 5957)  
MCL 41.181 (H.B. 5958)  
MCL 42.15 (H.B. 5959)  
MCL 117.4i (H.B. 5960)  
MCL 91.1 (H.B. 5961)  
Proposed MCL 46.11e (H.B. 5962)  
MCL 67.2 (H.B. 5963)  
Proposed MCL 45.556c (H.B. 5964)  
MCL 45.515d (H.B. 5965)

Legislative Analyst: Jeff Mann

## **FISCAL IMPACT**

The bills would have no fiscal impact on the State and would have an indeterminate fiscal impact on local governments. It is not possible to know how many local licensing requirements the provisions of the bill would preempt. Since municipalities would be prohibited from imposing licensing requirements on certain occupations in the future, they potentially would lose licensing fee revenue; however, they also would not have the costs involved in licensing the occupations, so the net fiscal impact would be indeterminate.

Fiscal Analyst: Ryan Bergan

SAS\S1718\s5955sa

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.