



Senate Fiscal Agency
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Senate Bill 312 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Marshall Bullock
Committee: Committee of the Whole

CONTENT

The bill would amend the Occupational Code to do the following:

- Modify the requirements an applicant who was a dependent of a member of the Armed Forces, a dependent of a member of the uniformed services, or a dependent of a veteran would have to meet to receive a temporary license or registration.
- Require the Department of Licensing and Regulatory Affairs (LARA) to issue a license or certificate of registration for an occupation under the Code without examination to an individual who demonstrated to the satisfaction of LARA that he or she was a member of the Armed Forces or uniformed services, a veteran, or a dependent of a member in the Armed Forces, a member of the uniformed services, or a veteran, and held a valid license or registration in that occupation from another state, among other criteria.
- Prohibit LARA from issuing a license or registration as described above if it determined that the issuance of a license or registration for an occupation under the Code could result in a violation of a Federal oversight or licensing guideline for that occupation.

The bill is tie-barred to House Bill 4376, which would amend the State License Fee Act to waive certain fees if an applicant were actively serving, or had served, in the Armed Forces or the uniformed services, or if the applicant were a dependent of a member of the Armed Forces, uniformed services, or a veteran. The bill also is tie-barred to House Bill 4377, which would amend the Skilled Trades Regulation Act to require LARA to issue a license or a certificate of registration for an occupation under the Act without examination to an individual who demonstrated to the satisfaction of LARA the criteria described above.

MCL 339.103 et al.

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill would have an indeterminate, likely moderate, negative fiscal impact on LARA. An increase in available exemptions to active members of the qualified organizations, veterans, and their dependents would result in decreased fee revenue to the respective bureaus within the Department. Most revenue from these fees is dedicated to administering licensing and regulatory programs. In addition, processing applications would require additional staff time. It is unlikely that the volume of work resulting from the bill would require an additional FTE.

The magnitude of the revenue loss and costs associated with the bill would depend on the number of applications for exemptions received in the affected professions. The Department does not have sufficient data to predict the potential increase in exemptions at this time, as it does not track military activity or other qualifying associations of applicants.

The Department of Military and Veterans Affairs estimates that there are approximately 11,000 Michigan National Guard personnel and approximately 550,000 veterans in Michigan. These incomplete figures indicate that LARA could have to waive a moderately significant amount of fees and exams under the bills; however, there is not enough information to predict how many applicants would qualify for a waiver. For fiscal year 2018-19, the Department reported the following figures for exemptions because of veteran status:

Bureau	Exemptions	Total Fees Exempted
Construction Codes	295	\$33,975
Corporations, Securities, and Commercial Licensing	6	\$835
Professional Licensing	204	\$20,550
Total	505	\$55,360

The substantially higher number of individuals who could seek similar exemptions under the bill likely would result in an increase in exemptions over time.

Date Completed: 4-19-21

Fiscal Analyst: Elizabeth Raczkowski