



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4363 (Substitute H-1 as reported)
House Bill 4364 (Substitute H-1 as reported)
House Bill 4382 (Substitute H-1 as reported)
House Bill 4383 (Substitute H-1 as reported)
Sponsor: Representative Chris Afendoulis (H.B. 4382 & 4383)
Representative Harvey Santana (H.B. 4363 & 4364)
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

The bills would amend several public acts to delay the sunset on licensing fees paid by those seeking licenses for various types of construction-related occupations. These fees were last increased in 2008, and, after September 30, 2015, current law will roll back the amount to the 2008 level. The bills would delay that sunset until September 30, 2019.

Each of the bills would take effect on October 1, 2015.

MCL 338.980 (H.B. 4363)
338.3541 (H.B. 4364)
338.883 (H.B. 4382)
338.2313 (H.B. 4383)

FISCAL IMPACT

The bills would have a positive fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) and no fiscal impact on local units of government. The bills would prevent LARA from losing approximately \$1.4 million in fee revenue each year. Revenue from the fees affected by the bills is credited to the Construction Code Fund, and is used by the Bureau of Construction Codes within LARA to offset the costs related to licensing and regulating construction-related professions.

The fiscal year (FY) 2015-16 LARA budget as passed from the Senate Appropriations Committee assumes LARA will be able to collect these fees at their current levels. Table 1 provides additional detail on the fee sunsets that would be delayed by these bills.

Table 1**Fee Sunsets Delayed Under Bills**

Bill	License Type	Fee Amount (Current)	Fee Amount (Sunset)	Revenue Loss Prevented Under Bills
4363	Mech. Contractor Exam	\$100	\$25	\$43,050
4363	Mech. Contractor License	100	75	77,300
4364	Journey Plumber - License/Renewal	40	20	80,540
4364	Journey Plumber - License Reinstatement	50	25	
4364	Apprentice Plumber - License/Renewal	15	5	13,370
4364	Apprentice Plumber - License Reinstatement	20	10	
4364	Master/Contractor Plumber License/Renewal	300 ¹	200 ¹	131,233
4364	Master/Contractor Plumber Lic. Reinst.	100	85	
4364	Plumber Exam Fee	100	50	32,800
4382	Master Electrician License/Renewal	50	25	237,000
4382	Electrical Journeyman License/Renewal	40	20	258,760
4382	Apprentice Electrician License/Renewal	15	5	
4382	Fire Alarm Spec. Apprentice Tech. Lic./Ren.	15	5	42,200
4382	Fire Alarm Specialty Technician Lic./Ren.	50	25	14,550
4382	Sign Specialist License/Renewal	40	20	6,160
4382	Electrical/Fire Alarm Contractor Lic./Ren.	300 ¹	200 ¹	182,200
4382	Sign Specialty Contractor License/Renewal	200 ¹	120 ¹	3,130
4382	Exam Fees - Various	100	25	89,400
4383	Building Official/Inspector/Plan Reviewer	\$25	\$10	\$150,000
			Total	\$1,361,693

¹ Fees are assessed every three years.

Date Completed: 5-6-15

Fiscal Analyst: Josh Sefton

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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.