

Legislative Analysis



OCCUPATIONAL LICENSING FEE SUNSET EXTENSIONS

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

House Bill 4993 (H-2)
Sponsor: Rep. Skaggs
House Committee: Appropriations
Complete to 9-19-23

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

SUMMARY:

House Bill 4993 would amend the State License Fee Act (1979 PA 152), which pertains to the licensure of various occupations regulated by the Department of Licensing and Regulatory Affairs (LARA). Under the bill, sunsets on fees that will mature on September 30, 2023, would be extended through September 30, 2027. The bill would maintain FY 2022-23 fee amounts by extending sunset provisions included with previous fee increases (initially enacted in 2003), which would otherwise cause numerous statutorily authorized fee amounts to decrease. The fee sunsets were previously extended in 2019.

MCL 338.2213 et al.

FISCAL IMPACT:

The bill would maintain current levels of revenue for fees collected by LARA, to the extent that the department would continue collecting revenue generated by fee increases that would otherwise sunset. Revenue generated from these fees is deposited to the Licensing and Regulation Fund and expended for costs of implementing, administering, and enforcing regulation of the associated occupations. Estimates provided by the department indicate that revenue losses resulting if the sunsets are not extended would total approximately \$1.5 million annually. The table below provides information for each of the fees.

Fee Title	MCL	Current Fee	Fee Post-Sunset	Projected Revenue Loss
Professional Engineer Application Processing Fee	338.2213	\$35	\$30	\$425,800
Professional Engineer Annual License Fee	338.2213	\$40	\$20	
Land Surveyor Application Processing Fee	338.2213	\$35	\$30	

Student Barber, Barber, Student Instructor, and Barber Instructor Application Processing Fee	338.2217	\$20	\$15	\$58,100
Barbershop Application Processing Fee	338.2217	\$50	\$40	
Barber College Application Processing Fee	338.2217	\$75	\$50	
Barber, Student Barber, and Student Instructor Annual License Fee	338.2217	\$30	\$15	
Barber Instructor Annual License Fee	338.2217	\$40	\$25	
Barbershop Annual License Fee	338.2217	\$40	\$30	
Demonstrator's or Demonstration Temporary Permit Fee	338.2217	\$15	\$10	
Collection Agency Non-Owner Manager Application Processing Fee	338.2221	\$35	\$25	\$500
Cosmetologist, Manicurist, Natural Hair Culturist, Esthetician, Electrologist, or Instructor Application Processing Fee	338.2225	\$15	\$10	\$1,000,000
Cosmetologist, Manicurist, Natural Hair Culturist, Esthetician, Electrologist, or Instructor Annual License Fee	338.2225	\$24	\$12	
Cosmetology Student Registration or Transfer Fee	338.2225	\$15	\$5	
Employment or Consulting Agent Annual License Fee	338.2227	\$40	\$30	\$300

Hearing Aid Dealer Trainee Annual License Fee	338.2231	\$40	\$20	\$1,900
Real Estate Brokers and Associate Brokers Application Processing Fee	338.2237	\$35	\$20	\$27,900
Real Estate Branch Office Annual License Fee	338.2237	\$20	\$10	
Certified General or Certified Residential, State Licensed, or Limited Real Estate Appraiser Application Processing Fee	338.2238	\$35	\$25	\$2,800

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