



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



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

House Bill 4994 (Substitute H-2 as passed by the House)
Sponsor: Representative Phil Skaggs
House Committee: Appropriations
Senate Committee: Appropriations

Date Completed: 9-26-23

CONTENT

The bill would amend the Uniform Securities Act to extend the sunset of several application, renewal, and filing fees paid by individuals for professional registrations regulated under the Act. These fees were last increased in 2019. Under the current Act, the fees are due to sunset for individuals filing after September 30, 2023, at which time fees would revert back to pre-2019 levels. The bill would extend the sunset to September 30, 2027.

MCL 451.2410

FISCAL IMPACT

The bill would have a positive fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) and no fiscal impact on local units of government. Eliminating the sunset on the current fees would preserve an estimated \$7.8 million in revenue each year. The revenue from these fees is deposited into the Securities Fees Fund and is used for administrative duties performed by the Corporations, Securities & Commercial Licensing Bureau within LARA. If the bill were not passed, the lower fee amounts would result in a loss in revenue of approximately \$7.8 million beginning with fiscal year 2023-24. The table below lists the change in fees that will result if the sunsets are not extended.

Fee Changes After Sunset		
Fee Type	Current Fee	Fee After Sunset
Application for Registration and Renewal -- Broker-Dealer	\$300	\$250
Application for Registration, Renewal, and Change of Registration -- Agent	\$65	\$30
Application for Registration and Renewal -- Investment Adviser	\$200	\$150
Application for Registration and Renewal -- Investment Adviser Representative	\$65	\$30
Initial and Annual Notice -- Federal Covered Investment Advisor	\$200	\$150

Fiscal Analyst: Elizabeth Raczkowski

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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.