

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

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1437 (as introduced 9-19-02)

Sponsor: Senator Walter H. North

Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 9-24-02

CONTENT

The bill would amend the State License Fee Act to allow the Department of Consumer and Industry Services (DCIS), beginning fiscal year 2003-04, and at the start of each successive State fiscal year, to increase the fees collected under the Act for the licensure of certain professions and occupations by a percentage amount equal to not more than the average percentage wage and salary increase granted for that fiscal year to classified Civil Service employees employed by the DCIS.

If the DCIS increased license fees, the increase would have to be effective for that fiscal year. The DCIS would have to use the increased fees as the basis for calculating fee increases in subsequent fiscal years.

By August 1 of each year, the DCIS would have to provide to the Director of the Department of Management and Budget and the chairpersons of the Senate and House Appropriations Committees a schedule of fees to be collected under the Act for the following fiscal year.

The licensees for which the DCIS could increase fees under the bill include: public accountants, architects, professional engineers, land surveyors, landscape architects, barbers, collection agency managers, professional community planners, cosmetologists, employment agents, personnel agency operators, foresters, hearing aid dealers, real estate brokers and salespersons, real estate appraisers, residential builders, embalmers, funeral directors, professional boxers and wrestlers, people who conduct boxing or wrestling contests, and ocularists.

Proposed MCL 338.2204

Legislative Analyst: Nobuko Nagata

FISCAL IMPACT

The bill would allow the Department to adjust occupational license fees in accordance with Civil Service salary adjustments. The amount of revenue generated would depend upon the percentage increase. The Department currently collects \$7.5 million in occupational license fees so, for example, a 2% increase would generate approximately \$150,000 over one fiscal year.

Fiscal Analyst: Maria Tyszkiewicz

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