



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

Senate Bills 405 and 459 (as enrolled)

PUBLIC ACTS 572 & 497 of 2006

Sponsor: Senator Valde Garcia (S.B. 405)

Senator Raymond E. Basham (S.B. 459)

Senate Committee: Economic Development, Small Business and Regulatory Reform

House Committee: Commerce

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RATIONALE

The Construction Lien Act was enacted in 1980 to provide for the creation and enforcement of liens on real property, in order to protect the rights of people who perform labor or supply material or equipment for the improvement of the property. Under the Act, a contractor, subcontractor, supplier, or laborer has a construction lien on the interest of the owner or lessee who contracted for the property improvement. The Act also is designed to protect homeowners from having to pay twice for labor or materials or potentially losing their home. Homeowner Construction Lien Recovery Fund, created under the Act, is used to pay claims of subcontractors, suppliers, and laborers, if the owner or lessee of residential property can demonstrate that he or she paid for the contracted services. The Fund has been supported by assessments against licensed contractors, a fee charged to laborers who recover from the Fund, and a fee charged to other lien claimants who choose to become members of the Fund. As it last did in 2004, the Department of Labor and Economic Growth could impose an additional assessment if the balance of the Fund was below \$1.0 million. Evidently, claims against the Fund have risen in recent years, and payments have been more than anticipated—due, in part, to interest added to amounts owed by contractors. To ensure that the Fund remains solvent, it was suggested that the fee structure should be revised, interest paid from the Fund should be limited, and other measures should be taken.

CONTENT

<u>Senate Bill 405</u> amended the Construction Lien Act to do the following:

- -- Limit interest payable from the Homeowner Construction Lien Recovery Fund to interest that accrued within 90 days after a claim of lien was filed.
- -- Require a supplier to show that he or she obtained a credit report from a contractor and, if applicable, a personal guaranty, in order to recover from the Fund.
- Limit payment to a supplier who did not require advance payment from a contractor who was already indebted to the supplier.
- -- Increase the maximum Fund payment to subcontractors, suppliers, and laborers from \$75,000 to \$100,000 per residential structure.
- -- Require the Department of Labor and Economic Growth (DLEG) to maintain a website and post the name of contractors that failed to pay subcontractors or suppliers, resulting in payment from the Fund.
- -- Require an owner or lessee to notify subcontractors, suppliers, and laborers upon receiving a sworn statement (which a contractor must give to the owner or lessee when requesting payment).
- Provide that an owner, lessee, or designee may not accept a full or partial waiver of lien from a person

other than the lien claimant named in the waiver, without verifying its authenticity.

<u>Senate Bill 459</u> amended the Construction Lien Act to:

- -- Require licensed contractors to pay a \$10 fee upon initial licensure and a \$10 fee for each year of license renewal, rather than a \$50 fee upon initial licensure, for deposit in the Homeowner Construction Lien Recovery Fund.
- -- Require laborers and other lien claimants to pay a \$30 renewal fee every three years.
- -- Eliminate the authority of the DLEG Director to require additional assessments when the Fund balance was under \$1.0 million.
- -- Suspend renewal fees if the Fund balance exceeds \$6.0 million, until it is under \$4.0 million.
- -- Limit the interest included in a construction lien of a subcontractor or supplier for a home improvement.
- -- Allow a person to bring an action to discharge a lien that has been recorded by an unlicensed person, and provide that the unlicensed person is liable to the plaintiff for damages.

The bills were tie-barred to each other.

Senate Bill 405

Procedures for Recovery from the Fund

The Act provides that a claim of construction lien does not attach to a residential structure, to the extent payments have been made, if the owner or lessee files an affidavit with the court indicating that he or she has paid the contractor for the improvement and the amount of the payment, has not colluded with any person to obtain a payment from the Fund, and has cooperated with DLEG in the defense of the Fund. The bill requires the owner or lessee to attach to the affidavit copies of the contract, any change orders, and any evidence of the payment that he or she has, including a canceled check or a credit card or other receipt.

Previously, a person who had recorded a claim of lien and who was precluded from

having a construction lien under the previous provision, could recover from the Fund the amount for which the lien was established. Under the bill, the person may recover the amount he or she would have been entitled to recover but for the previous The Act requires a person provision. seeking recovery to establish various facts, including that he or she would be entitled to a construction lien on a residential structure except for the defense described above. The bill also requires the person to establish that the contractor or subcontractor with whom the person claiming the construction lien contracted is the same individual or legal entity with whom the owner or lessee contracted.

Recovery by a Supplier

Under the bill, if the person claiming a construction lien on a residential structure is a supplier, the person must establish that he or she has documentary proof that, unless the supplier had provided material or eauipment the to contractor subcontractor within the preceding year, before he or she provided the material or equipment that is the subject of the lien without obtaining advance payment in full, the supplier 1) required the contractor or subcontractor to whom he or she provided the material or equipment to complete and submit a credit application; and 2) before beginning to supply material or equipment to the contractor or subcontractor without obtaining advance payment in full, did either of the following, as applicable:

- -- If the contractor or subcontractor is a corporation whose shares are publicly traded, obtained a report on the contractor or subcontractor from a nationally or regionally recognized organization that provides credit ratings of businesses, to determine the financial stability of the contractor or subcontractor.
- -- If the contractor or subcontractor is not a publicly traded corporation, both obtained a credit report on the owner or qualifying officer or the principal partners, officers, shareholders, or members of the contractor or subcontractor to determine the financial stability of the contractor or subcontractor; and, if the contractor or subcontractor is less than four years old, obtained a personal guaranty from the owner or one or more of the partners,

officers, directors, managing members, trustees, or shareholders of the contractor or subcontractor.

Also, if a supplier is seeking to recover for material or equipment supplied to a contractor or subcontractor without obtaining advance payment in full, the supplier must establish that a credit report obtained by the supplier on the contractor or subcontractor did not disclose any of the following:

- -- That the contractor or subcontractor was insolvent at the time of the application, or had been insolvent within two years before the application.
- -- That the contractor or subcontractor was subject to a receivership at the time of the application.
- -- Total delinquent judgments of more than \$1,000.

A payment from the Fund to a supplier may not include money due for material or equipment supplied to a contractor or subcontractor without advance payment in full, if the contractor or subcontractor was delinquent in paying the supplier for material or equipment for more than the following number of days after the first business day of the month following the shipment of the material or equipment:

- -- In 2007, 180 days.
- -- In 2008, 150 days.
- -- In 2009, 120 days.
- -- In 2010 and subsequent years, 90 days.

A payment from the Fund to a supplier also may not include money due for material or equipment supplied to a contractor or subcontractor without advance payment in full, if the contractor or subcontractor was indebted to the supplier in an amount equal to or more than the credit limit established by the supplier for the contractor or subcontractor when the material or equipment was supplied.

Payment from the Fund

The bill provides that a payment from the Fund may not include interest on the unpaid principal amount due, including a time-price differential or a finance charge, that accrued after 90 days after the claim of lien was recorded.

Under the bill, DLEG may not pay out of the Fund to subcontractors, suppliers, and laborers more than \$100,000 per residential structure. When it appears that the amount claimed from the Fund with respect to a residential structure will exceed amount, DLEG may delay payment until the total amount to be paid can be ascertained. the total amount payable and laborers subcontractors, suppliers, exceeds \$100,000, they must be paid their proportional shares of that amount. These caps previously were \$75,000.

Fund Expenditures

Previously, wages, professional fees, and other administrative expenditures necessary for the operation of the Fund could not exceed 20% of money it collected in the previous fiscal year. If, however, a \$50 fee (described below) was not assessed against license applications and renewals during a year, the limitation on Fund expenditures had to be calculated on the basis of the closest previous year in which the \$50 fee was assessed and collected.

The bill provides, instead, that except for legal counsel fees, the amount paid in a fiscal year for wages, professional fees, and other administrative expenditures may not exceed 20% of the average of the ending balances in the Fund for the previous two fiscal years.

Other Fund Provisions

Foreclosure. Under the Act, a subcontractor, supplier, or laborer who seeks enforcement of a construction lien on a residential structure through foreclosure must join the Fund as a defendant in the foreclosure action. Under the bill, the subcontractor, supplier, or laborer must do so within the period provided in Section 117(1) (i.e., not later than one year after the date the claim of lien was recorded).

<u>DLEG Website</u>. The bill requires DLEG to maintain a website. If the Department makes a payment from the Fund as the result of a contractor's failure to pay a subcontractor or supplier, DLEG must post on the website the name and license number of the contractor and of any qualifying officer of the contractor. The website must be designed to allow a visitor to search the

posted names and license numbers of contractors and qualifying officers.

Sworn Statement

The Act requires a contractor to provide a sworn statement to an owner or lessee when payment is due to the contractor from the owner or lessee or the contractor requests payment from the owner or lessee, and when a demand for a sworn statement has been made by or on behalf of the owner or A subcontractor must provide a sworn statement to the contractor when payment is due to the subcontractor or when the subcontractor requests payment. A subcontractor also must provide a sworn statement to an owner or lessee when a demand has been made and, under the bill, the owner or lessee has complied with the requirements described below. A sworn statement must be in substantially the form described in the Act.

Under the bill, upon receiving a sworn statement, the owner or lessee, or the owner's or lessee's designee, must give notice of its receipt, in writing, by telephone, personally, to each subcontractor, supplier, and laborer who has provided a notice of furnishing under Section 109 or, if a notice of furnishing is excused under Section 108 or 108a, to each subcontractor, supplier, and laborer named in the sworn statement. If a subcontractor, supplier, or laborer who has provided a notice of furnishing or is named in the sworn statement makes a request, the owner, lessee, or designee must give the requester a copy of the sworn statement within 10 days after receiving the request. The sworn statement described in the Act must include language to this effect.

(Under Section 109, a subcontractor or supplier who contracts to provide an improvement to real property must provide a notice of furnishing after furnishing the first labor or material. A laborer who contracts to provide an improvement to real property must provide a notice of furnishing after wages are due but not paid. A laborer who provides an improvement to real property must provide a notice of furnishing if fringe benefits or withholdings from wages are due but not paid. A notice of furnishing must be provided to the designee (or the owner or lessee) and the general contractor, if any, within the time period specified in the

Act. Sections 108 and 108a extend the time period if an owner, lessee, or designee fails to record a notice of commencement, as required by those sections.)

The Act requires a sworn statement to include the name of each subcontractor, supplier, or laborer for whom payment of wages or fringe benefits and withholdings is due. The bill requires it to include the address and telephone number of these people, as well.

Waiver of Right to Construction Lien

The Act requires a lien claimant who receives full payment for his or her contract to give the owner, lessee, or designee a full unconditional waiver of lien. A lien claimant who receives partial payment must give the owner, lessee, or designee a partial unconditional waiver of the lien for the amount that the claimant has received, if the owner, lessee, or designee requests the partial waiver.

Under the bill, an owner, lessee, or designee may not rely on a full or partial unconditional or conditional waiver of lien from a person other than the lien claimant named in the waiver if the lien claimant has filed a notice of furnishing or is excused from doing so, unless the owner, lessee, or designee has verified the authenticity of the lien waiver with the lien claimant in writing, by telephone, or personally. (This is subject to provisions under which an agent who is authorized to prepare, record, and serve a claim of lien on behalf of a laborer or group of laborers is automatically authorized to provide and responsible for providing waivers of lien, unless the laborer or group notifies the designee that someone other than the agent is authorized to provide appropriate waivers.)

Forms must be used in substantially the format contained in the Act to execute waivers of construction liens. The bill designates the forms, "Partial Unconditional Waiver", "Partial Conditional Waiver", "Full Unconditional Waiver", and "Full Conditional Waiver", and includes in each of the forms the following statement: "If the owner or lessee of the property or the owner's or lessee's designee has received a notice of furnishing from me/one of us or if I/we are not required to provide one, and the owner, lessee, or designee has not received this

waiver directly from me/one of us, the owner, lessee, or designee may not rely upon it without contacting me/one of us, either in writing, by telephone, or personally, to verify that it is authentic."

Senate Bill 459

<u>Interest</u>

After the bill's effective date, a subcontractor's or supplier's construction lien for an improvement to a residential structure may include an amount for interest, including a time-price differential or a finance charge, only if the amount is in accordance with the terms of the contract between the subcontractor or supplier and the contractor or subcontractor, and does not include any interest that accrued after 90 days after the claim of lien was recorded.

Licensure Requirement; Discharge of Lien

Under the Act, a contractor does not have a right to a construction lien on the interest of an owner or lessee in a residential structure unless the contractor has provided an improvement to the residential structure pursuant to a written contract between the owner or lessee and the contractor. The contract must state that a residential builder or residential maintenance and alteration contractor, an electrician, and a plumbing contractor are required to be licensed under the applicable statutes. If the contractor is required to be licensed to provide the contracted improvement, the contract must state that the contractor is licensed and state the license number. The bill also requires the contract to state that a mechanical contractor is required to be licensed under the Forbes Mechanical Contractors Act.

Under the bill, the owner of residential property on which a construction lien has been recorded by a person who was not licensed as described above, or any person affected by the lien, may bring an action to discharge the lien. If the court determines that the person who recorded the lien was not licensed as required, that person is liable to the person who brought the action for all damages that result from the recording and any attempts to enforce the lien, including actual costs and attorney fees.

A person who brings an action to recover for the performance of an act or contract for which a license is required must allege in the complaint and has the burden of proving that he or she was properly licensed.

Fees

Licensed Contractors. The Construction Lien Act previously imposed a \$50 fee on individuals applying for initial licensure as a residential builder or residential maintenance and alteration contractor, electrical contractor, plumbing contractor, or mechanical contractor. The fee had to be paid in addition to the license fee and was deposited in the Homeowner Construction Lien Recovery Fund.

The bill deleted the \$50 fee. Instead, a person must pay a \$10 fee when applying for one of the licenses described above. When applying to renew the license, the person must pay a \$10 fee for each year that the renewed license will be valid.

Laborers & Other Lien Claimants. Under the Act, a laborer who seeks to recover from the Fund is not required to pay a fee until he or she obtains a recovery; at that time, a \$15 fee must be withheld from the Fund from the laborer's final recovery. Under the bill, this will apply the first time that a laborer seeks to recover from the Fund. The bill deleted a provision under which the total amount withheld by the Fund from a laborer in a one-year period could not exceed \$50.

Under the Act, except for licensed contractors and laborers, any other lien claimant may become a member of the Fund by paying a \$50 fee before the date of the claimant's contract for improvement to a residential structure. The bill deleted a provision that limited a lien claimant's fee to \$50 in a year. Under the bill, if a lien claimant is a supplier that conducts business from more than one retail location, each retail location must be treated as a separate person for purposes of paying fees and renewal fees for Fund membership.

Under the bill, if a laborer or other lien claimant paid an initial fee (described above) on or before June 1, 2006, he or she must pay a \$30 renewal fee by June 1, 2009, and a \$30 renewal fee by June 1 of every third year after the first renewal payment. A person paying the initial fee after June 1,

2006, must pay a \$30 renewal fee by the first June 1 following the third anniversary date of the initial payment, and a \$30 renewal fee by June 1 of every third year after the first renewal payment.

Under the bill, a laborer or other lien claimant may pay a renewal fee after the date it is due, but is not entitled to recover from the Fund for an improvement made after the due date and before the fee is paid.

The bill requires DLEG, at least 30 days before a renewal payment is due, to send a notice of the amount that will be due and the payment due date to the laborer or other lien claimant who paid the fee to recover from or be a member of the Fund. The notice must be sent by ordinary mail to the last address that the person gave the Fund administrator.

Fund Balance. Previously, if the Fund balance was under \$1.0 million on December 1 of any year, the DLEG Director could require an additional assessment or payment, not to exceed \$50, from licensed contractors and other lien claimants, unless the Legislature adopted a concurrent resolution to prohibit the additional assessment within 30 legislative days after the Director required it. The bill deleted this provision.

Under the bill, if the Fund balance is over \$6.0 million on December 1 of any year, a renewal fee with a due date after January 1 of the following year will not be due. If the Fund balance is under \$4.0 million on any subsequent December 1, renewal fees will be due after January 1 of the following year.

Notice of Change

Under the bill, a person who becomes a member of the Fund by paying a fee must give the DLEG division that administers the Fund written notice of a change in the person's name, address, or form of business organization within 30 days of the change. If required by law, written notice also must be given to the appropriate licensing agency. Proof that a notice or other document related to the Act was mailed, or delivered by another method of delivery required by law or rule, to a member at the last address that the member gave the Fund administrator, is conclusive proof that the member received the notice or document.

MCL 570.1110 et al. (S.B. 405) 570.1104 et al. (S.B. 459)

BACKGROUND

After a decade of negotiations between contractors, suppliers, laborers, consumers, lenders, and attorneys, the Construction Lien Act was enacted in 1980 to replace the Mechanics' Lien Act of 1891, which was considered highly ambiguous and arcane. The new statute retained the principal goal of the original law: to ensure that everyone involved in providing improvements and construction services to property owners receives proper payment. The 1980 Act also is designed to ensure that property owners particularly homeowners—do not lose their rights, or are not forced to undergo expensive and prolonged litigation because someone else failed to fulfill a contract. Because of the complexity of the statute, it was not scheduled to take effect until January 1, 1982, so technical flaws could be and remaining differences identified Several amendments were resolved. enacted late in 1981, and the effective date of the balance of the Act was delayed until March 1, 1982. Legislation to address the remaining issues was enacted early in 1982.

The Construction Lien Act sets forth a series of procedures that require the parties involved in a construction project to file various notices, statements, and claims of lien, in order to create and enforce a lien. Some of the procedures differ if the property is considered residential, rather than commercial. The procedures that apply to residential property are described briefly below.

When an owner or lessee contracts for an improvement to a residential structure, he or she may be asked to provide a notice of commencement to the contractor. document is a formal notice that work is beginning on the property, and informs the various parties of the name and address of the owner or lessee (or his or her designee). As the work progresses, subcontractors, suppliers, and laborers are required to give the owner or lessee a notice of furnishing. When asking the owner or lessee for payment, or upon that person's request, the contractor is required to provide a sworn statement, which is a notarized document showing every subcontractor, supplier, and laborer who provided labor and material to the project. When making a payment, the owner should receive partial or full waivers of lien, which are agreements by the subcontractors, suppliers, or laborers that they will not file claims of lien against the property because they have been paid the amount indicated in the waivers.

The right of a contractor, subcontractor, supplier, or laborer to a construction lien will cease to exist unless a claim of lien is recorded in the register of deeds office within 90 days after the lien claimant last furnished labor or material. The claim of lien must be served on the owner's or lessee's designee, or on the owner or lessee. Proceedings to enforce a construction lien and foreclose any interests subject to it must be brought in the circuit court within one year after the claim of lien was recorded. Every person who has an interest in the real property involved in the action that would be impaired by the foreclosure of the lien, must be made a party to the action. A subcontractor, supplier, or laborer who seeks to enforce a construction lien on a residential structure through foreclosure must join the Homeowner Construction Lien Recovery Fund as a defendant.

A claim of lien does not attach to a residential structure if the owner or lessee files with the court an affidavit stating, among other things, that he or she has paid the contractor for the improvement. A lien claimant seeking to recover from the Fund must establish that he or she otherwise would be entitled to a construction lien on the property; that the owner or lessee paid contractor or subcontractor, retained or used the proceeds without paying the lien claimant; that the lien claimant made a reasonable effort to obtain payment from the contractor subcontractor; that the lien claimant complied with any applicable licensing acts; and that the contractor or subcontractor was licensed. The court must determine the amount due to the lien claimant.

If DLEG makes a payment from the Fund, the Department may maintain an action against the contractor or subcontractor who did not pay the lien claimant. The Department also must enter a complaint against the licensee with the appropriate licensing agency.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The Construction Lien Act took effect in 1982 and, until now, was not amended since then (with the exception of revisions to criminal penalties for fraudulent sworn statements). The bills update the Act and address structural deficiencies, particularly in regard to the Homeowner Construction Lien Recovery Fund. As of June 2005, there had been over 2,765 claims against the Fund from subcontractors, suppliers, and laborers, and the Fund had paid out \$6.4 million in judgments for justified claims. Although the Fund may file an action against a contractor for indemnification, less than 3% of the payouts had been recovered, according to DLEG, mainly because of contractors' going out of business or filing for bankruptcy.

Apparently, claims have climbed over the years and payouts have been greater than anticipated. The size of payments has been due in large part to substantial amounts of interest on unpaid balances owed to suppliers, who were under no obligation to establish the creditworthiness of contractors. In practice, Fund payments are negotiated with lien claimants, but the Fund technically could be liable for the entire amount of interest owed (subject to the cap on total recovery per residential structure). Other factors contributing to the size of payouts include inflationary increases in the cost of material and labor, as well as the Fund's legal defense costs.

The bills address these concerns in various ways. The revised fee structure creates a stable, predictable source of revenue for the Fund. Rather than providing for one-time assessments and fees plus an additional assessment when the Fund balance dropped below \$1.0 million, the bill requires the payment of ongoing renewal fees, and allows the Fund balance to reach \$6.0 are before they suspended. million Reinstating renewal fees when the balance falls below \$4.0 million will maintain at least the current level in the Fund, which had a balance of \$3.4 million as of September 25, 2006.

The bills also will preserve the solvency of the Fund by reining in payments for interest. Subcontractors, suppliers, and laborers may not recover interest that accrued more than 90 days after a claim of lien was recorded, and suppliers will have to obtain satisfactory credit reports on contractors (and a personal guaranty in some cases) if the suppliers did not receive advance payment in full. In addition, the bills prevent payments to a supplier who provided material or equipment to a contractor that exceeded the credit limit set by the supplier or owed a debt to the supplier that was past due by more than the specified number of days. These provisions put the onus on suppliers to ensure that contractors are creditworthy, rather than relying on the Fund to recover unpaid balances plus large amounts of interest.

Supporting Argument

The bills increase consumer protections in several ways. Under Senate Bill 405, DLEG must maintain a website of contractors whose failure to pay subcontractors or suppliers causes the Fund to make a payment. Homeowners then will be able to search the site and avoid doing business with contractors who are unreliable. Senate Bill 459 allows a homeowner to bring an action to discharge a lien that was recorded by a person who was not licensed as required. If the homeowner prevails, the unlicensed person will be liable for damages, including costs and attorney fees, that resulted from the recording and attempts to enforce the lien.

Supporting Argument

Subcontractors, suppliers, and laborers have additional protections under Senate Bill 405. The bill requires a property owner or lessee to notify those who have provided a notice of furnishing or are named in a contractor's sworn statement, upon receiving This will let subcontractors, statement. suppliers, and laborers know that the contractor is requesting payment from the owner or lessee. The bill also prohibits an owner or lessee from relying on a waiver of lien from anyone other than the lien without first claimant, verifvina authenticity.

In addition, the amount that may be recovered from the Fund per residential structure was \$75,000 since it was established over two decades ago. Raising

the cap to \$100,000 reflects today's higher costs of material, equipment, and labor.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

Senate Bill 405

The bill will tend to reduce payments from the Homeowner Construction Lien Recovery Fund. Although the size of payments from the Fund will increase, contractors will be required to meet more stringent criteria in order to collect from the Fund. In addition, new limits apply to interest payments on claims, further reducing expenditures from the Fund.

The bill revised the limit on administrative expenses of the Fund. The limit is changed from 20% of the ending balance in the previous fiscal year to 20% of the average of the ending balance in the previous two fiscal years. The averaging will reduce the volatility of the limit on administrative expenses.

The bill will have no impact on the State's General Fund revenue or expenditures.

The bill will have no fiscal impact on local government.

Senate Bill 459

The bill changes the revenue stream for the Homeowner Construction Lien Recovery Fund, a restricted revenue fund within the Department of Labor and Economic Growth. Previously, the revenue to the Fund consisted of fees and special assessments. Residential builders and contractors paid a \$50 fee to the Fund at the time of applying for their initial licenses. Special assessments could be levied at a rate of \$50 per licensed contractor. The special assessments were levied at the direction of the DLEG Director when the balance in the Fund fell below \$1.0 million as of December 1 of any year. The most recent special assessment was levied in FY 2004-05 and, if fully collected, will generate approximately \$4.7 million for the Fund.

Under the bill, the authority for special assessments and the initial license fees is eliminated. Instead, a fee will be levied with the renewal of residential builder and

contractor licenses. The fee will be \$10 for each year the license is in effect. Revenue from these fees is estimated at \$950,000 annually.

It is expected that administrative expenses will be reduced by the bill because collection of fees will be done in conjunction with regular license renewals, instead of requiring separate mailing and processing as with the special assessments.

The bill will have no impact on the State's General Fund revenue or expenditures.

The bill will have no fiscal impact on local government.

Fiscal Analyst: Elizabeth Pratt Maria Tyszkiewicz

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.