

REPEAL IMMIGRATION CLERICAL ASSISTANT LIST AND BOND REQUIREMENT

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House Bill 4528

Sponsor: Rep. Klint Kesto

Committee: Regulatory Reform

Complete to 4-15-13

A SUMMARY OF HOUSE BILL 4528 AS INTRODUCED 4-10-13

The bill would amend the Immigration Clerical Assistant Act (2004 PA 161) to eliminate the immigration clerical assistant list and the requirement that immigration clerical assistants maintain a \$50,000 corporate surety or cash bond. Under the act, individuals are prohibited from providing or offering to provide services, or acting as an immigration clerical assistant, without being on the immigration clerical assistant list established within the Department of Licensing and Regulatory Affairs.

Specifically, House Bill 4528 would repeal the following sections:

- Section 4, which prohibits anyone from providing or offering to provide services, or acting as an immigration clerical assistant, unless the individual has been placed on the immigration clerical assistant list established within the Department of Licensing and Regulatory Affairs.
- Section 7, which requires immigration clerical assistants to apply for placement on the list created under Section 9 and sets forth the minimum application criteria.
- Section 9, which creates an immigration clerical assistant list within LARA and establishes accompanying fees.
- Section 15, which requires immigration clerical assistants to file and maintain a corporate surety or cash bond of at least \$50,000. The bond is intended for the benefit of a person that is damaged by fraud, misstatement, misrepresentation, or other failure of an immigration clerical assistant or representative to provide promised services.

Currently, the act allows for a person injured by an immigration clerical assistant to bring court action for equitable relief and/or damages. In an action for damages, the bill would require the court to award a prevailing plaintiff the amount of actual damages, or three times the actual damages if the court finds an immigration clerical assistant committed a willful violation of the act.

MCL 338.3453 et al.

FISCAL IMPACT:

House Bill 4528 would not have a significant fiscal impact on the Corporations, Securities, and Commercial Licensing Bureau (CSCLB) within the Department of Licensing and Regulatory Affairs (LARA).

As of FY 2012, there were seven (7) individuals listed by the CSCLB as immigration clerical assistants and over the past six fiscal years, the CSCLB has not made any *direct* expenditures to administer the list required by 2004 PA 161. Direct expenditures comprise relatively variable salary, supply, and supplementary costs directly attributable to activities performed by CSCLB staff, whereas *total* expenditures include relatively fixed overhead costs such as departmental administration, property management and rent, information technology services, and Attorney General legal services. As evidenced by the table to the right, total expenditures substantially exceed the nominal revenue collected from immigration clerical assistants. Yet, the overhead costs that constitute total expenditures are relatively fixed and, if the listing requirements of 2004 PA 161 are eliminated by House Bill 4528, would be reallocated amongst other occupational regulatory programs under the CSCLB.

Immigration Clerical Assistants			
Fiscal Year	Revenue	Expenditures	
		Direct	Total
2007	\$500	\$0	\$122,413
2008	\$250	\$0	\$74,551
2009	\$950	\$0	\$108,390
2010	\$0	\$0	\$126,508
2011	\$0	\$0	\$129,225
2012	\$40	\$0	\$63,974
Total	\$1,740	\$0	\$625,061
Average	\$290	\$0	\$104,177
Avg per Lic	\$41	\$0	\$14,882

It should be noted, however, that if the Legislature eliminates multiple occupation regulatory programs under the CSCLB that do not generate adequate revenues (generally those programs with few licensees), overhead costs would be expected to decrease by an indeterminate amount once a sufficient number are eliminated thereby reducing total expenditures.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.