Legislative Analysis



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ELIMINATE LICENSING REQUIREMENTS FOR LANDSCAPE ARCHITECTS

House Bill 4685

Sponsor: Rep. Hugh Crawford

House Bills 4686 & 4687 Sponsor: Rep. Ken Yonker

Committee: Regulatory Reform

Complete to 3-24-2014

A SUMMARY OF HOUSE BILLS 4685- 4687 AS INTRODUCED 5-2-2013

These bills would amend several current laws regarding occupational licensing to repeal licensing requirements for landscape architects.

<u>House Bill 4685</u> would amend the Occupational code by removing any reference to landscape architects. It repeals Article 22, under which landscape architects are licensed. (MCL 339.303a and 411)

<u>House Bill 4686</u> would repeal Section 15 of the State License Fee Act, which sets the various fees required to be licensed as a landscape architect. (MCL 338.2215)

<u>House Bill 4687</u> would amend PA 165 of 1966, which invalidated certain requirements for indemnity in the construction industry, so it would no longer refer to "licensed" landscape architects and instead would refer to landscape architects authorized to do business in Michigan. (MCL 691.991)

House Bills 4686 and 4687 are tie-barred to House Bill 4685, meaning they could not take effect without HB 4685 being enacted.

FISCAL IMPACT:

House Bills 4685 through 4687 would have a negative fiscal impact on the Corporations, Securities, and Commercial Licensing Bureau (CSCLB) within the Department of Licensing and Regulatory Affairs (LARA) to the extent that the revenues collected under the landscape architect licensure programs are more than adequate to offset the attendant departmental expenditures.

The following table exhibits the licensure revenues generated via fees, various types of expenditures, and net revenue over (under) expenditures associated with the landscape architect licensure program between FY 2010 and FY 2014 which would be deregulated under HBs 4685 through 4687.

Landscape Architect Program	FY 2010	FY 2011	FY 2012	FY 2013	4-Year Avg
Revenue (Biennial Renewal)	\$74,265	\$8,385	\$71,160	\$11,350	\$41,290
Licensure Expenditure	\$11,524	\$10,935	\$10,875	\$11,529	\$11,216
Enforcement Expenditure	\$0	\$1,986	\$5,278	\$0	\$1,816
Adjudication Expenditure	\$732	\$0	\$0	\$0	\$183
IT Expenditure (DTMB)	\$1,950	\$3,146	\$2,934	\$3,066	\$2,774
Total Expenditure	\$14,206	\$16,067	\$19,087	\$14,595	\$15,989
Net Rev Over (Under) Exp	\$60,059	(\$7,682)	\$52,073	(\$3,245)	\$25,301

Because landscape forester licenses are renewed biennially, the revenue generated by licensure fees fluctuate amid odd and even years; however, over the four-year period, the landscape architect program generated \$25,301 in revenue exceeding departmental expenditures. These excess revenues are likely used to support other occupational licensure programs under the CSCLB for which fee revenue is insufficient to offset attendant departmental 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.