



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 818 (as reported without amendment)
Sponsor: Senator Tonya Schuitmaker
Committee: Regulatory Reform

CONTENT

The bill would amend the Proprietary School Act to exclude from the term "proprietary school" a school or program within a school that exclusively provides yoga instruction, yoga teacher training, or both.

The Act provides for the regulation of proprietary schools and prohibits a person from operating a proprietary school without a license or a temporary permit issued by the Department of Licensing and Regulatory Affairs. A violation of the licensure requirement is a misdemeanor punishable by a maximum fine of \$10,000 or up to one year's imprisonment, or both.

The Act defines "proprietary school" as "a school that uses a certain plan or method to teach a trade, occupation, or vocation for a consideration, reward, or promise of any kind", including a private business, trade, or home study school. The term does not include any of the following:

- A school or college possessing authority to grant degrees.
- A school licensed by law through another board or department of the State.
- A school maintained or program conducted, without profit, by a person for that person's employees.

As stated above, the bill also would exclude a school that exclusively provides yoga instruction, yoga teacher training, or both.

MCL 395.101a

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs, and no fiscal impact on local units of government. The bill would exempt approximately 30 instructional facilities that are currently regulated for providing yoga instruction or yoga teacher training. Proprietary schools are subject to annual fees ranging from \$435 to \$2,110 per year, depending on school size. Under the bill, any revenue associated with these schools would be lost; the exact amount of the revenue is unknown and would depend on the size of the schools. The Department's costs to regulate these schools also would be eliminated. It is unknown which of these two effects would be greater, so the fiscal impact of the bill is indeterminate.

Date Completed: 3-28-16

Fiscal Analyst: Josh Sefton