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BILL ANALYSIS



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Senate Bills 157 and 158 (as introduced 2-18-21)
Sponsor: Senator John Bizon, M.D. (S.B. 157)
Senator Adam J. Hollier (S.B. 158)
Committee: Families, Seniors, and Veterans

Date Completed: 2-24-21

CONTENT

Senate Bill 157 would amend the Public Health Code to do the following:

- **Require the Department of Licensing and Regulatory Affairs (LARA) to waive the fee for an initial license or initial registration otherwise required under Article 15 (Occupations), or an application processing fee, if the applicant served in the Armed Forces and was discharged honorably or was a dependent of either a member of the Armed Forces who was on active duty or a veteran.**
- **Require an applicant to be granted an initial license or registration, without examination, if the applicant were a member of the Armed forces on active duty, a veteran, or a dependent of either a member of the Armed forces on active duty or a veteran, and if the applicant held a current license or registration in good standing in another State or country for the health profession for which the applicant was seeking licensure or registration, among other requirements.**
- **Modify the requirements an applicant who was a dependent of a member of the Armed Forces would have to meet to receive a temporary license or registration.**

Senate Bill 158 would amend the Occupational Code to do the following:

- **Modify the requirements an applicant who was a dependent of a member of the Armed Forces would have to receive a temporary license or registration.**
- **Require LARA to issue a license or certificate of registration for an occupation under the Code without examination to an individual who was a member of the Armed Forces on active duty, a veteran, or a dependent of either a member in the Armed Forces on active duty or a veteran, and held a valid license or registration in that occupation from another state, among other requirements.**
- **Prohibit LARA from issuing a license or registration if it determined that the issuance of a license or registration for an occupation under the Code could result in a violation of a Federal oversight or licensing guideline for that occupation.**

Each bill would take effect 90 days after its enactment.

Senate Bill 157**Fee Waiver**

Generally, the Public Health Code governs the licensing of health professionals in Michigan. The Code requires each application for a license or registration to be accompanied by a nonrefundable application processing fee. The Code also allows LARA to require that the

application be accompanied by a fee for a required examination or inspection or the fee for the initial license or registration period. The bill specifies that these provisions would not apply as described below.

Under the bill, LARA would have to waive the fee for an initial license or initial registration that was otherwise required under Article 15 (Occupations), or an application processing fee charged by LARA for an initial license or initial registration, if the applicant met one of the following requirements:

- Was an individual who served in the Armed Forces and he or she provided to LARA a form DD214, form DD215, or any other form that was satisfactory to LARA that demonstrated he or she was separated from that service with an honorable character of service or under honorable conditions (general) character of service.
- Provided proof acceptable to LARA that he or she was a dependent of either a member of the Armed Forces who was on active duty or a veteran.

(The Code defines "Armed Forces" as the United States Army, Air Force, Navy, Marine Corps, or Coast Guard or other military force designated by Congress as part of the Armed Forces of the United States.)

Under the bill, "dependent" would mean a spouse, surviving spouse, child who is under 26 years of age, or surviving child who is under 26 years of age. "Veteran" would mean that term as defined in Section 1 of Public Act 190 of 1965: an individual who served in the United States Armed Forces, including the reserve components, and was discharged or released under conditions other than dishonorable, including an individual who died while on active duty in the United States Armed Forces.

The Code also prescribes certain fees for an individual licensed or seeking licensure to practice as a dentist, dental assistant, dental hygienist, or dental therapist. The Code requires LARA to waive the application processing and license fees for an initial license to engage in practice as a dental assistant if he or she, while on active duty as a member of the Armed Forces, serves as a military dental specialist and was separated from service with an honorable character of service or under honorable conditions (general) character of service in the armed forces. The applicant must provide a form that is satisfactory to LARA to be eligible for this waiver. The bill would delete this requirement.

(Generally, Form DD214 is issued to a military service member after retirement, separation, or discharge from active duty in the United States Armed Forces. A Form DD215 is used to correct errors to a Form DD214.)

Initial License or Registration

Under the bill, notwithstanding any other provision of Article 15 to the contrary, an applicant would have to be granted an initial license or initial registration, without examination, if the applicant met all the following:

- Demonstrated to the satisfaction of LARA that he or she was a member of the Armed forces on active duty, a veteran, or a dependent of either a member of the Armed forces on active duty or a veteran.
- Demonstrated to the satisfaction of LARA that he or she held a current license or registration in good standing in another State or country for the health profession for which the applicant was seeking licensure or registration in the State and LARA determined that the requirements for licensure or registration in the other state or country were

substantially equivalent to or exceeded the requirements of Article 15 and rules promulgated by LARA, in consultation with the applicable board, under Article 15.

- Demonstrated to the satisfaction of LARA that he or she was competent in the health profession for which he or she was seeking licensure or registration, as demonstrated by the applicant's training or experience or by another method prescribed by LARA, in consultation with the applicable board.
- He or she complied with Section 16174(3) so that a criminal history check was conducted in the manner prescribed.

(Section 16174(3) of the Code requires an applicant for initial licensure or registration to submit his or her fingerprints to the Department of State Police (MSP) to have a criminal history check conducted. The Section also requires the MSP to forward the fingerprints to the Federal Bureau of Investigation (FBI) for a national criminal history check.)

Temporary License; Veterans

The Code authorizes LARA to issue a temporary license to an individual who meets certain conditions, including an applicant who meets all of the following:

- He or she provides proof acceptable to the board that he or she is married to a member of the Armed Forces of the United States who is on active duty.
- He or she provides proof acceptable to the board that he or she holds a current license in good standing, or a current registration in good standing, in that health profession, issued by an equivalent licensing department, board, or authority in another state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, another territory or protectorate of the United States, or a foreign country.
- He or she provides proof acceptable to the board that his or her spouse is assigned to a duty station in Michigan and that he or she is also assigned to a duty station in Michigan under his or her spouse's permanent change of station orders.
- He or she complies with Section 16174(3) so that a criminal history check is conducted in the prescribed manner.

Under the bill, instead, LARA would have to grant a temporary license or registration to an applicant who met all of the following:

- He or she provided proof acceptable to LARA that he or she was a dependent of either a member of the Armed Forces who was on active duty or a veteran.
- The applicant provided proof acceptable to LARA that he or she held a current license or registration in good standing, in that health profession, issued by an equivalent licensing department, board, or authority in another state or country, as determined by LARA, in consultation with the applicable board.
- He or she complied with Section 16174(3) so that a criminal history check was conducted in the prescribed manner.

Senate Bill 158

Temporary License or Certificate

Generally, the Occupational Code governs the licensing of certain occupations in the State including accountancy, cosmetology, and residential building, among other things. The Code allows LARA to grant a nonrenewable temporary license or certificate of registration to an applicant for licensure or registration, or a transfer thereof, if the applicant previously has not been denied a license or certificate of registration or had a license or a certificate of registration revoked or suspended.

In addition to a temporary license or certificate of registration described above, the Code requires LARA to grant a temporary license or certificate of registration for an occupation under the Code to an applicant who meets all of the following requirements:

- He or she provides proof acceptable to LARA that he or she is married to a member of the Armed Forces who is on active duty.
- He or she provides proof acceptable to LARA that he or she holds a current license or registration in good standing in that occupation, issued by an equivalent licensing department, board, or authority, as determined by LARA, in another state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, another territory or protectorate of the United States, or a foreign country.
- He or she provides proof acceptable to LARA that his or her spouse is assigned to a duty station in Michigan and that he or she is also assigned to a duty station in the State under his or her spouse's permanent change of station orders.

Under the bill, to receive this temporary license or certificate of registration, an applicant would have to meet all of the following:

- He or she would have to provide proof acceptable to LARA that he or she was a dependent of either a member of the Armed Forces who is on active duty or a veteran.
- He or she would have to provide proof acceptable to LARA that he or she held a current license in good standing, or a current registration in good standing, in that occupation, issued by an equivalent licensing department, board, or authority, as determined by LARA, in consultation with a board dealing with a specific occupation under the Code, in another state of the United States or a foreign country.

The Code defines "Armed Forces" as that term is defined in Section 2 of the Veteran Right to Employment Act. Under the bill, "Armed Forces" would mean the United States Army, Air Force, Navy, Marine Corps, or Coast Guard or other military force designated by Congress as a part of the Armed Forces of the United States.

"Dependent" would mean a spouse, surviving spouse, child under 26 years of age, or surviving child under 26 years of age. "Veteran" would mean that term as defined in Section 1 of Public Act 190 of 1965.

License or Certificate

Under the bill, subject to provisions described below, LARA would have to issue a license or certificate of registration for an occupation under the Code without examination to an individual who demonstrated to the satisfaction of LARA that he or she met all the following at the time of the application:

- Provided proof that the individual was a member of the Armed Forces on active duty, a veteran, or a dependent of either a member in the Armed Forces on active duty or a veteran.
- Had not had a license or registration revoked, and had not surrendered voluntarily a license or registration, in any other state of the United States or a foreign country while under investigation for unprofessional conduct.
- Had not had discipline imposed by an equivalent licensing department, board, or authority in another State of the United States, and if so, LARA would have to determine if the cause for the action was corrected, and the matter resolved, and could not issue or deny a license or registration until the matter was resolved.
- Did not have a complaint, allegation, or investigation pending before an equivalent licensing department, board, or authority in another state of the United States or a foreign

country that related to unprofessional conduct, and if so, LARA would have to suspend the application process and could not issue or deny a license or registration to the applicant until the complaint, allegation, or investigation was resolved.

- Paid all applicable fees.
- Was of good moral character.
- Met the age requirement of that occupation under the Code, if applicable.

In addition, the bill would require the applicant, at the time of the application, to hold a valid license or registration in that occupation from an equivalent licensing department, board, or authority, as determined by LARA, in at least one other state of the United States. For each license or registration that he or she held, all the following would have to be met:

- The license or registration was in good standing and he or she had held that license or registration for at least one year.
- There were minimum education requirements and, if applicable, work experience requirements in effect for licensure or registration in the other state, and the other state verified that he or she met those requirements for licensure or registration in that state.
- If the other state required an examination for licensure or registration, he or she passed it.

The bill specifies that if LARA determined that the issuance of a license or certificate of registration issued as described could result in a violation of a Federal oversight or licensing guideline for that occupation, LARA could not issue a license or a certificate or registration. The bill also specifies that the provisions above would not prevent LARA from issuing a temporary license under Section 213, a courtesy license under Section 1806a, or issuing a license under Section 726, Section 1108(2), Section 1211, Section 1806(8), Section 2013, Section 2209, or Section 2623 of the Code.

(Section 213 of the Code allows LARA to grant a temporary license or certificate of registration as described above. Section 1806a allows LARA to issue a courtesy license, a license that is subject to certain restrictions, to engage in the practice of mortuary science to an individual who meets certain requirements. Section 2013 requires LARA to issue a license to a person who holds an appropriate certificate of qualification from another state or national council for the registration of architects, professional engineers, or professional surveyors under certain circumstances.

Sections 1211, 1108(2), 1806(8), 726, 2209, and 2623 require LARA to issue a license under certain circumstances provided in those Sections to individuals licensed in another state to perform cosmetology, barber services, mortuary science services, accountancy, landscape architect services, or services provided by certain real estate appraisers.)

Residential Builder Initial License

Under the Code, an applicant for initial licensure either as a residential builder or as a residential maintenance and alteration contractor must complete successfully the prelicensure course of study requirements prescribed by the Code to obtain a license unless he or she is exempt from those requirements. Subject to certain provisions, an applicant for initial licensure as a residential builder or residential maintenance and alteration contractor is exempt from the requirement above if he or she meets certain conditions with respect to his or her service in the Armed Forces. As used here, the Code defines "Armed Forces" as that term is defined in Section 2 of the Veteran Right to Employment Services Act. The bill would delete this definition.

FISCAL IMPACT

The bills would have an indeterminate negative fiscal impact on LARA. An increase in available exemptions to veterans and their dependents would result in decreased fee revenue to the respective bureaus within LARA. Most revenue from these fees is dedicated to administering licensing and regulatory programs. In addition, processing applications would require additional staff time. The magnitude of the revenue loss and costs associated with the bills would depend on the number of applications for exemptions received in the affected professions. The Department does not have sufficient data to predict the potential increase in exemptions at this time.

For fiscal year 2018-19, LARA reported the following figures for exemptions because of veteran status:

Bureau	Exemptions	Total Fees Exempted
Construction Codes	295	\$33,975
Corporations, Securities, and Commercial Licensing	6	835
Professional Licensing	204	20,550
Total	505	55,360

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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.