

Legislative Analysis



CREDIT DEAF INTERPRETERS FEES TO DIVISION ON DEAFNESS FUND

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Senate Bill 484 (Substitute H-1)

Sponsor: Sen. Mark Jansen

House Committee: Appropriations

Senate Committee: Appropriations

Complete to 4-28-10

A SUMMARY OF SENATE BILL 484 (SUBSTITITE H-1)

Senate Bill 484 (H-1) would amend the Deaf Persons' Interpreters Act, 1982 PA 204, to specify that revenue from fee revenue under the act would be credited to the Division on Deafness Fund created in the Division on Deafness Act, 1937 PA 72. The bill provides that fee revenue under the act and credited to the fund would be expended to cover the costs of the Commission on Disability Concerns–Division on Deaf and Hard of Hearing (DODHH). The bill is tie-barred to HB 5672, sponsored by Representative Spade.

FISCAL IMPACT:

The bill would have no material fiscal impact on the state. Currently, interpreters' fees are already a restricted fund source within the budget for the Department of Energy, Labor, and Economic Growth (DELEG), supporting the operations of the Commission on Disability Concerns–Division on Deaf and Hard of Hearing.¹ Revenue from the interpreters' fees, however, are aggregated with other fund sources, and identified in the annual DELEG appropriations act as "state restricted revenues." Presumably, for future budget acts, the Division on Deafness Fund would appear as a distinct fund source for the Commission on Disability Concerns.² According to DELEG, the interpreters fees generated approximately \$9,000 in revenue in Fiscal Year 2008-09.

The significance of crediting interpreters' fee revenue to a specific fund source is that it ensures that any excess revenue does not lapse to the General Fund at the close of a fiscal year, but instead is carried-forward into the next fiscal year, with expenditures limited to DODHH operations. The department notes that no funds have lapsed to the General Fund in recent years, because all such revenue was expended to cover the costs of the DODHH. (In actuality, annual program expenses exceed fee revenue.)

¹ The Division on Deafness was renamed the Division on Deaf and Hard of Hearing (DODHH) with Executive Order 2002-10 (Executive Reorganization Order 2002-6, MCL 445.1991), effective July 8, 2002. The division is organized within the Commission on Disability Concerns within the Department of Energy, Labor, and Economic Growth pursuant to Executive Order 2003-18 (Executive Reorganization Order 2003-1, MCL 445.2011), effective December 7, 2003.

² For FY 2009-10, the Commission has a Gross Appropriation of \$1,157,000 and 7.0 FTE positions.

The Division on Deafness Fund was created with the enactment of 1988 PA 434 (HB 5367), but has never been used in the more than 20 years since was created. The Division on Deafness Act provides that the fund may receive gifts, grants, or other aid from any source (whether public or private) and money from any source as appropriated by the Legislature, and shall be expended only to implement the Division on Deafness Act. (The DODHH's responsibilities under the Division on Deafness Act include carrying out its responsibilities under the Deaf Persons' Interpreters Act.) The act further provides that unexpended money in the Division on Deafness Fund at the close of the fiscal year shall be carried forward into the next fiscal year, rather than lapse to the General Fund.

Under current law, the schedule of interpreters' fees (which would be credited to the Division on Deafness Fund under the bill) includes an application fee of \$30, a non-resident examination fee of \$175, a resident examination fee of \$125, and a license renewal fee of \$30. In October 2008, the DODHH suspended the interpreters' credentialing tests in order to develop new testing procedures that meet the requirements of 2007 PA 24. In October 2009, that suspension was lifted, and testing resumed. According to the department, to date the DODHH has conducted 124 resident interpreter examinations (\$125 fee), 5 non-resident interpreter examinations (\$175 fee), and 164 renewals (\$30 fee). Fees generated under the act total approximately \$22,000. On a full-year basis, the department estimates total interpreters' fee revenue to be approximately \$38,000. This revenue would be credited to the Division on Deafness Fund, as provided for under the bill, and would continue to be expended to support the operations of the DODHH.

BACKGROUND INFORMATION:

Senate Bill 484 (H-1) is identical to House Bill 5029 (H-2), which passed the House of Representatives on February 16, 2010. House Bill 5029 (H-2) was reported from the Senate Committee on Economic Development and Regulatory Reform on March 23, 2010, without amendment, and was re-referred to the committee on April 20, 2010.

House Bill 5672, to which SB 484 (H-1) is tie-barred, would amend the Division on Deafness Act to direct revenue from the deaf interpreter licensing and examination fees under the Deaf Persons' Interpreters Act to the Division on Deafness Fund. The bill also explicitly provides that Division on Deafness Fund may be expended for the costs of DODHH in administering the Deaf Persons' Interpreters Act.

House Bill 5672 was passed by the House of Representatives on February 16, 2010. The bill was passed by the Senate on April 15, 2010. The Senate adopted an S-1 floor substitute, which changed the tie bar from HB 5029 to SB 484.

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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.