

Legislative Analysis



ALLOW USE OF ELECTRONIC SEAL & SIGNATURE

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4585 (Substitute H-2)
Sponsor: Rep. Rob VerHeulen
Committee: Regulatory Reform

(Enacted as Public Act 178 of 2013)

Complete to 9-24-13

A SUMMARY OF HOUSE BILL 4585 (H-2) AS REPORTED FROM COMMITTEE

The bill would amend Article 20 of the Occupational Code to allow architects, professional engineers, and professional surveyors to use an *electronic seal and signature* when filing plans, specifications, plats, or reports with a public authority.

Currently, individuals licensed under Article 20 as an architect, professional engineer, or professional surveyor are required to obtain a seal with the individual's name and a notation of the individual's licensed profession. Any plans, specifications, plats, or reports that are issued by the licensed individual must be sealed when being filed with a public authority.

The bill would allow an individual licensed under Article 20 to seal documents for submission to a public authority using an *electronic seal and signature* (instead of just the current seal required under Article 20). In the instance of an expired license, an individual would be prohibited from applying his or her seal to a document unless the license is renewed, reinstated, or reissued.

The bill would not change the requirement that individuals obtain a seal once they are issued a license as an architect, professional engineer, or professional surveyor under Article 20.

The bill would take effect 90 days after being signed into law.

"*Electronic seal*" would mean a signature created by electronic or optical means and affixed electronically to a document or electronic document.

"*Electronic signature*" would mean a signature created by electronic or optical means and affixed electronically to a document or electronic document with intent to sign the document.

FISCAL IMPACT:

The bill would not have a significant fiscal impact on the state or local units of government.

BACKGROUND INFORMATION AND DISCUSSION:

The bill would allow architects, professional engineers, and professional surveyors to use an electronic seal and signature when filing plans, specifications, plats, or reports with a public authority. According to testimony, the bill is intended to modernize the submission process and provide greater efficiency. It is common practice for plans and reports to be prepared electronically and allowing these professions to submit the plans using an electronic seal and signature, instead of requiring a handwritten signature and a seal affixed to a paper copy of the document, would modernize the business practices of many local units of government. Additionally, allowing the use of electronic seals and signatures would eliminate the need to store and maintain paper copies of documents and may lead to more efficient storage and retrieval of such documents. The bill would not require plans and reports be submitted electronically and local units of government that do not have the capability to accept and store documents electronically would still be able to require paper copies to be submitted.

POSITIONS:

Michigan Department of Licensing and Regulatory Affairs supports the bill. (9-10-13)

American Council of Engineering Companies supports the bill. (9-10-13)

American Institute of Architects - Michigan supports the bill. (9-10-13)

County Road Association of Michigan supports the bill. (9-10-13)

Michigan Historical Preservation Network supports the bill. (9-10-13)

Michigan Society of Professional Engineers supports the bill. (9-10-13)

Michigan Society of Professional Surveyors supports the bill. (9-10-13)

Legislative Analyst: Jeff Stoutenburg
Fiscal Analyst: Paul Holland

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