



Senate Fiscal Agency
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Senate Bills 476 and 477 (as enacted)
House Bills 4683 and 4684 (as enacted)
Sponsor: Senator Dave Hildenbrand (S.B. 476 & 477)
Representative David Nathan (H.B. 4683)
Representative Cindy Denby (H.B. 4684)
Senate Committee: Regulatory Reform
House Committee: Regulatory Reform

PUBLIC ACTS 151 & 152 of 2014
PUBLIC ACTS 194 & 195 of 2014

Date Completed: 6-26-14

CONTENT

Senate Bill 476 repealed Article 29 of the Occupational Code, which regulated and provided for the registration of auctioneers.

Senate Bill 477 repealed Section 28 of the State License Fee Act, which specified various fees for registration as an auctioneer.

House Bill 4683 amended the Michigan Liquor Control Code to delete a reference to the registration requirements for auctioneers in Article 29 of the Occupational Code.

House Bill 4684 amended Part 821 (Snowmobiles) of the Natural Resources and Environmental Protection Act to delete a reference to an auctioneer as defined in Article 29 of the Occupational Code, and add definitions of "auctioneer" and "auction".

The bills were tie-barred and took effect on June 24, 2014.

Senate Bill 476

The bill repealed Article 29 (Auctioneers) of the Occupational Code. Article 29 defined "auctioneer" as "an individual who, for compensation, is engaged in the business of the conduct of or offers to engage in the conduct of an auction". "Auction" meant the sale or offer for sale of real or personal property by bidding at a public or private location. Only a person registered under Article 29 was authorized to use the title "registered auctioneer".

Article 29 also created a Board of Auctioneers, and required the Department of Licensing and Regulatory Affairs (LARA) to issue a registration as a registered auctioneer to an individual, or to the qualifying member of a legal entity, who met certain requirements.

Senate Bill 477

The bill repealed Section 28 of the State License Fee Act. That section had set fees for a person registered or seeking registration as an auctioneer under Article 29 of the Occupational Code, as shown in Table 1.

Table 1

Fee Type	Amount
Application processing for registered auctioneer	\$50
Examination fee for registered auctioneer	\$50
Registration fee, per year, for an individual	\$200
Registration fee, per year, for a firm	\$200

House Bill 4683

The Michigan Liquor Control Code authorizes the Liquor Control Commission to issue a wine auction license to certain people. The Code had specified that a person holding a wine auction license was not required to demonstrate compliance with the registration requirements of Article 29 of the Occupational Code. The bill deleted that provision.

House Bill 4684

Part 821 of the Natural Resource and Environmental Protection Act defines "dealer" as any person engaged in the sale, lease, or rental of snowmobiles as a regular business. The definition previously excluded an auctioneer as that term was defined in Article 29 of the Occupational Code. The bill deleted the reference to the defined term under Article 29.

The bill defines "auctioneer" as a person that is engaged in the business of conducting auctions or that offers to conduct an auction for compensation. "Auction" means the sale or offer for sale by bidding of real or personal property at a public or private location.

MCL 339.2901-339.2919 (S.B. 476)
338.2228 (S.B. 477)
436.2031 (H.B. 4683)
324.82101 (H.B. 4684)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Senate Bills 476 & 477

The bills will have a positive fiscal impact on the Department of Licensing and Regulatory Affairs and no fiscal impact on local units of government. The Department has indicated in the past that the regulation of auctioneers was not self-supporting, meaning license fees did not cover LARA's costs related to issuing the licenses. According to a report from LARA, in fiscal year 2011-12, the costs of licensing 55 auctioneers exceeded revenue by approximately \$1,200. By removing the requirement that auctioneers be licensed, the bills will have a small, but positive fiscal impact on LARA.

House Bills 4683 & 4684

The bills will have no fiscal impact on State or local government.

Fiscal Analyst: Josh Sefton

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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.