

Legislative Analysis



HEALTH AND OCCUPATIONAL LICENSURE EXEMPTIONS FOR SERVICE MEMBERS, VETERANS, AND THEIR DEPENDENTS

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Senate Bill 157 (S-1) as reported from House committee
Sponsor: Sen. John Bizon, M.D.

Senate Bill 312 (S-1) as reported from House committee
Sponsor: Sen. Marshall Bullock II

House Committee: Regulatory Reform
Senate Committee (SB 157): Families, Seniors, and Veterans
Senate Committee (SB 312): Committee of the Whole
Complete to 5-26-21

BRIEF SUMMARY: Senate Bills 157 and 312 would amend different acts to ease the process through which an active duty service member, a veteran, or their qualifying dependents can obtain an initial health profession or occupational license or certification of registration in a profession or occupation for which they hold a license or registration in another state or country; waive the fee for the initial health profession license or registration; and redefine terms.

FISCAL IMPACT: The bills would result in an indeterminate reduction of revenue for the Department of Licensing and Regulatory Affairs (LARA). (See **Fiscal Information**, below, for a detailed discussion.)

THE APPARENT PROBLEM:

Members of the armed forces and uniformed services are faced with challenges unique to the demands of such service. For instance, on average, service members are transferred once every three years. Relocating so often can be particularly hard on their family members who hold health or occupational licenses. Occupational licenses often require a person to reside in the state for a specified amount of time, and most professions and occupations require a person to retake license exams, and to pay for a state license application and license fee, even if the person has a valid license issued by another state or country. Meanwhile, the person cannot work in their chosen field until a new license is secured. Some have suggested that Michigan laws regarding certain occupations, including the health professions, be amended to make it easier for members and veterans of the armed forces and uniformed services and their dependents to obtain licensure in the state.

THE CONTENT OF THE BILLS:

Senate Bill 157 would add a new section to the Public Health Code and make complementary changes to several existing provisions. Under the new section, and notwithstanding any other provision of Article 15 (Occupations) of the code, an applicant would have to be granted an initial license or registration, without examination, if the applicant meets all of the following:

- He or she demonstrates to the satisfaction of LARA that he or she is a **veteran**, a member of the **armed forces** or the **uniformed services**, or a **dependent** of a veteran or a member of the armed forces or uniformed services.

- He or she demonstrates to the satisfaction of LARA that he or she holds a current license or registration in good standing in another state or country for the health profession for which the applicant is seeking licensure or registration and LARA determines that the requirements are substantially equivalent to or exceed the requirements of Article 15 and departmental rules.
- He or she demonstrates to the satisfaction of LARA that he or she is competent in the health profession for the licensure sought, as demonstrated by his or her training or experience or by a method prescribed by LARA.
- He or she provides his or her fingerprints for a criminal history check to be conducted.

Armed forces would mean the United States Army, Air Force, Navy, Marine Corps, Space Force, or Coast Guard or other military force designated by Congress as part of the Armed Forces of the United States, including the reserve components.

Dependent means a spouse or surviving spouse or a child or surviving child under 26 years of age.

Uniformed services would mean the Commissioned Corps of the U.S. Public Health Service and the National Oceanic and Atmospheric Administration Commissioned Officer Corps.

Veteran would mean an individual who served in the United States Armed Forces, including the reserve components, and was discharged or released under conditions other than dishonorable. The term would include an individual who died while on active duty in the U.S. Armed Forces.

Waiver of fees

The fee for an initial license or initial registration, or an application processing fee, would have to be waived for an applicant who meets one of the following requirements:

- He or she is actively serving in the armed forces or the uniformed services.
- He or she served in the armed forces or uniformed services and provides a Form DD214, Form DD215, or any other form satisfactory to LARA demonstrating that he or she was separated from that service with an honorable character of service or under honorable conditions (general) character of service.
- He or she provides acceptable proof of being a dependent of a veteran or of a member of the armed forces or uniformed services.

MCL 333.16103 et seq.

Senate Bill 312 would add a new section to the Occupational Code and define terms. LARA would be required to issue a license or a certificate of registration for an occupation regulated by the act, without examination, to an individual who demonstrates to its satisfaction that he or she meets all of the following at the time of application:

- He or she provides proof that he or she is a veteran, a member of the armed forces or uniformed services, or a dependent of a veteran or a member of the armed forces or the uniformed services.

- He or she holds a valid license or registration in that occupation from an equivalent licensing department, or board, or authority, as determined by LARA, in at least one other state. For each license or registration, all of the following must be met:
 - The license or registration is in good standing and has been held at least one year.
 - Minimum education requirements (and work experience requirements, if applicable) were in effect in the other state, and that state verifies that the individual met those requirements for licensure or registration.
 - The individual passed any required examination.
 - The other state's requirements for licensure or registration are substantially equivalent to or exceed the requirements of the Occupational Code and any departmental rule for the license or registration.
- He or she has not had a license or registration revoked or voluntarily surrendered a license or registration in any state or foreign country while under investigation for unprofessional conduct.
- He or she has not been disciplined by any equivalent licensing department, board, or authority in another state. If a state had taken disciplinary action against the applicant, LARA would have to determine if the cause for the action had been corrected and the matter resolved. If not, LARA could not issue or deny a license or registration until the matter was resolved.
- He or she does not have a complaint, allegation, or investigation pending before an equivalent licensing department, board, or authority in another state or foreign county that relates to unprofessional conduct. If any were pending, LARA would have to suspend the application process until the complaint, allegation, or investigation was resolved.
- He or she pays all applicable fees.
- He or she is of good moral character.
- He or she meets any age requirement of that occupation.

The bill would not prevent LARA from issuing a temporary license under section 213 (for the spouse of an active duty member of the armed forces) or issuing a license for certain professions that currently provide reciprocity for those licensed in other states (mortuary science, public accounting, cosmetology, architect, landscape architect, barber, and real estate appraiser). However, LARA could not issue a license or registration under the bill if doing so would result in a violation of a federal oversight or licensing guideline for that occupation.

Tie-bar

The bill is tie-barred to House Bills 4376 and 4377, which means that it could not take effect unless those bills were also enacted. House Bill 4376 would amend the State License Fee Act to waive certain fees if an applicant were a veteran, a member of the armed forces or uniformed services, or a dependent of a veteran or a member of the armed forces or the uniformed services. House Bill 4377 would amend the Skilled Trades Regulation Act to require LARA to issue a license or a certificate of registration for an occupation under the act, without examination, to an individual who demonstrates to the satisfaction of LARA the required criteria.

MCL 339.103 et seq.

Each bill would take effect 90 days after its enactment.

HOUSE COMMITTEE ACTION:

The House Regulatory Reform committee reported the Senate-passed versions of the bills without amendment.

FISCAL INFORMATION:

Senate Bills 157 and 312 would likely decrease license fee revenues received by LARA. The bills would expand the population of individuals eligible to have fees associated with initial licensure and application processing waived under Article 15 of the Public Health Code and to have licensure examinations waived under the Occupational Code. Professions that would be eligible for fee waivers under SB 157 include chiropractors; acupuncturists; dentists, dental hygienists, and other dental professions; audiologists; physicians and physician's assistants; nurses; optometrists; pharmacists; physical therapists; occupational therapists; social workers; veterinarians; and numerous others. The reduced revenue from these fees would primarily affect the Health Professions Regulatory Fund, a state restricted fund used to support LARA's activities under Articles 7, 8, and 15 of the Public Health Code. However, reduced revenues from these license fees would also be likely to affect the Nurse Professional Fund (used by the Michigan Department of Health and Human Services for various purposes related to nursing and outlined in statute) and the Pain Management Education and Controlled Substances Electronic Monitoring and Antidiversion Fund (used by LARA for programs related to pain management education for health professionals, preventing the diversion of controlled substances, and developing and maintaining the Michigan Automated Prescription System, or MAPS).

The exact magnitude of the changes is indeterminate, but the revenue reduction resulting from these changes could be significant. It is presently indeterminate whether the bills would increase costs for LARA, as it is impossible to determine how many people will utilize the opportunities created under these bills.

ARGUMENTS:

For:

Senate Bills 157 and 312 are companion bills to House Bills 4376 and 4377. Together, their provisions would provide license reciprocity and a waiver for initial license application and renewal fees for a wide range of professional and occupational licensees, including health professionals. In addition, for some licensees, the bills would also waive the required examination for those licensed in a different jurisdiction. As members of the armed forces and related service branches are deployed to Michigan, and for those facing retirement and a switch to civilian life, the examination and fee waivers make Michigan an inviting place for their spouses and dependents, both during and after active service. Of note is that all the bills in the package would expand the branches of service for which the member or veteran or their dependents could benefit from the fee waivers. For example, they would include members and veterans of the reserve components and uniformed services. Enactment of the bills would honor the service to the country provided by these individuals as well as acknowledge the sacrifices made by their family members, who often are uprooted and must begin their own careers anew in another state.

Against:

No arguments opposing the bills were raised in committee.

POSITIONS:

The following entities indicated support for the bills (5-11-21):

- Department of Licensing and Regulatory Affairs (LARA)
- Department of Military and Veterans Affairs
- Michigan Realtors Association

The Mackinac Center for Public Policy indicated support for SB 157. (5-11-21)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.