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BILL ANALYSIS

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House Bill 5889 (Substitute H-2 as reported without amendment)

Sponsor: Representative Jack Brandenburg

House Committee: Government Operations

Senate Committee: Economic Development, Small Business and Regulatory Reform

### **CONTENT**

The bill would amend the State Plumbing Act to do the following:

- Require the Department of Labor and Economic Growth (DLEG) to issue an initial or renewal license for a master plumber or a plumbing contractor within 90 days after an applicant filed a "completed application" (as defined in the bill).
- Require DLEG to notify the applicant of a deficiency in writing, or make the information electronically available, within 30 days after receiving an incomplete application.
- Toll the 90-day period if DLEG sent notice of a deficiency, until it received the requested information.
- Require DLEG to return the license fee and reduce the fee by 15% for the applicant's next renewal application, if any, if it failed to comply with the required time frame.
- Require the DLEG Director, beginning in 2005, to report annually by December 1 to the appropriate Senate and House committees regarding its compliance with these provisions.

MCL 388.3541

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

According to the Department of Labor and Economic Growth, the estimated revenue collections from plumbing contractors is \$508,300 and from master plumbers is \$437,200 for FY 2003-04. The amount by which this revenue would be reduced would depend on the number of licensees not processed in the given time frame. The bill also would require a report that would include new or additional information not currently collected. The database adjustment required to accommodate this requirement could increase information technology costs.

Date Completed: 7-1-04

Fiscal Analyst: Maria Tyszkiewicz