

Legislative Analysis



INTERPRETERS' STANDARDS FUND

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House Bill 5029 as introduced
Sponsor: Rep. Dudley Spade
Committee: Regulatory Reform

First Analysis (1-15-10)

BRIEF SUMMARY: The bill would create the Interpreters' Standards Fund, which would be used to cover costs associated with the Division on Deaf and Hard of Hearing within the Commission on Disability Concerns.

FISCAL IMPACT: The bill would have no fiscal impact on the state or local units of government, as discussed later in the analysis.

THE APPARENT PROBLEM:

It has been suggested that a restricted fund be created to capture fee revenue generated by persons seeking certification as interpreters for the deaf and hard of hearing. The goal of the fund would be to restrict the revenue from application and examination fees to be used only to cover costs associated with the activities of the Division on Deaf and Hard of Hearing within the Commission on Disability Concerns.

THE CONTENT OF THE BILL:

The bill would add a new section to the Deaf Persons' Interpreters Act (MCL 393.508f) to create the Interpreters' Standards Fund within the state treasury. The fund, to be administered by the Department of Energy, Labor, and Economic Growth, would be used to cover costs associated with the Division on Deaf and Hard of Hearing within the Commission on Disability Concerns. Money received under Sections 8c and 8e (application for state certification, renewal certifications, and examination fees related to certification) would be deposited into the fund, along with money or other assets received by the state treasurer from any source. The state treasurer would direct the investment of the fund, as well as credit to the fund interest and earnings from those investments. Money in the fund at the close of a fiscal year would remain in the fund and not lapse to the General Fund.

[Note: The bill is identical to the Senate-passed version of Senate Bill 484, which is a reintroduction of Senate Bill 1526 of the 2007-2008 legislative session.]

[Note: A similar fund, the Division on Deafness Fund, was created in the Department of Treasury by Public Act 434 of 1988. The fund, which is administered by DELEG, is also restricted and can only be expended for the implementation of the Division on Deafness Act, which includes administration of the Deaf Persons' Interpreters Act. The Division on Deafness Act establishes the Division on Deafness (now the Division on Deaf and

Hard of Hearing) and the Advisory Council on Deafness within DELEG; prescribes the powers and duties of the department, the division, the council, and certain state officers; establishes the Division on Deafness Fund and provides for fund expenditures; allows the fund to receive public or private gifts, grants, or other aid, as well as money from any other source as appropriated by the Legislature; and requires the Legislature to annually appropriate a sum sufficient to implement the act.]

FISCAL INFORMATION:

The bill would have no fiscal impact on the state or local units of government. Currently, interpreters' fees are already a restricted fund source within the budget of the Department of Energy, Labor, and Economic Growth, supporting the operations of the Commission on Disability Concerns, Division on Deaf and Hard of Hearing (DDOHH). Revenues from the interpreters' fees, however, are aggregated with other restricted fund sources, and identified in the annual DELEG appropriations act simply as "state restricted revenues." (Presumably, for future budget acts, the proposed Interpreters' Standards Fund would appear as a distinct fund source.)

A year ago, the division suspended the interpreters' credentialing tests, in order to develop new testing procedures that met requirements of 2007 PA 24. In October 2009, that suspension was lifted, and testing has resumed. The department indicates that the division can test about 44 people per month (528 people per year). Based on these figures, the initial examination fee would generate approximately \$66,000 in revenue, while the annual license fee would generate an additional \$15,840 per year.

As noted previously, current law already establishes a separate fund that supports the administration of the division, including its responsibilities under the Deaf Persons' Interpreters Act. [See Section 4 (MCL 408.204) and Section 8 (MCL 408.208) of the Division on Deafness Act, 1937 PA 72, MCL 408.201, et seq.]

ARGUMENTS:

For:

The bill would allow for any revenue collected from application and examination fees for the interpreter certification program to not lapse to the General Fund but instead be carried forward to the next year to support the activities of the Division on Deaf and Hard of Hearing.

Response:

Strictly speaking, the bill is not needed. In 1988, legislation was passed to create a similar fund that essentially to carry out the same function as the fund proposed by House Bill 5029 and Senate Bill 484. This existing fund, called the Division on Deafness Fund, has never had any revenue put into it. However, the purpose of that fund encompasses the stated purpose of the fund proposed by House Bill 5029 and so could be used for that purpose.

POSITIONS:

There are no positions at present.

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