

## REPEAL LICENSING OF COMMUNITY PLANNERS

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**Senate Bill 494 as enacted**  
**Public Act 153 of 2014**  
**Sponsor: Sen. Bruce Caswell**

Analysis available at  
<http://www.legislature.mi.gov>

**House Bill 4377 as enacted**  
**Public Act 154 of 2014**  
**Sponsor: Rep. Tim Kelly**  
**House Committee: Regulatory Reform**  
**Senate Committee: Regulatory Reform**

**Complete to 2-9-15**

### SUMMARY:

House Bill 4377 repealed Article 23 of the *Occupational Code*, which provided for the registration of professional community planners.

Senate Bill 494 repealed Section 23 of the *State Licensee Fee Act*, which established a registration fee schedule for professional community planners.

The bills were tie-barred and took effect on June 11, 2014.

The Occupational Code had defined community planners, generally speaking, as persons qualified to prepare long-range proposals for the arrangement of land uses intended primarily to guide government policy toward achieving orderly and coordinated development of the entire community. Prior to the enactment of House Bill 4377, only individuals registered under Article 23 were able use the title of community planner.

### BACKGROUND INFORMATION AND DISCUSSION:

Executive Order 2011-5 created the Office of Regulatory Reinvention (ORR) and tasked it with "creating a regulatory environment and regulatory processes that are fair, efficient, and conducive to business growth and job creation through its oversight and review of current rules and regulations and proposed rulemaking and regulatory activities by all departments and agencies."

To fulfill its obligation, the ORR established Advisory Rules Committees (ARC) to review statutes and promulgated rules affecting specific areas. The Occupational Licensing ARC was formed to make recommendations to the ORR regarding potential changes to Michigan's existing occupational regulations. The ARC recommendations were based on the following seven factors contained within Executive Order 2011-5:

1. Health or safety benefits of the rules.

2. Whether the rules are mandated by any applicable constitutional or statutory provision.
3. The cost of compliance with the rules, taking into account their complexity, reporting requirements, and other factors.
4. The extent to which the rules conflict with or duplicate similar rules or regulations adopted by the state or federal government.
5. Extent to which the regulations exceed national or regional compliance requirements or other standards.
6. Date of last evaluation of the rules and the degree, if any, to which technology, economic conditions, or their factors have changed regulatory activity covered by the rules since the last evaluation.
7. Other changes or developments since implementation that demonstrate there is no continued need for the rules.

According to the ORR's recommendation, the Occupational Licensing ARC met 14 times and reviewed 8 occupations. The ORR issued its final recommendations on occupational licensing on February 17, 2012, and among other things, recommended the deregulation of several occupations. Eliminating the registration of community planners is among those recommendations.

For the full text of the ORR's recommendations on occupational licensing, see:  
[http://www.michigan.gov/documents/lara/ORR\\_Occupational\\_Licensing\\_Recommendations\\_382437\\_7.pdf](http://www.michigan.gov/documents/lara/ORR_Occupational_Licensing_Recommendations_382437_7.pdf)

#### **FISCAL IMPACT:**

The bills would have a nominal negative fiscal impact on the Corporations, Securities, and Commercial Licensing Bureau (CSCLB) within the Department of Licensing and Regulatory Affairs (LARA) to the extent that fee revenue generated by professional community planners are more than sufficient to cover expenditures for the professional community planner registration program.

As of FY 2013, there were seventy-five (75) individuals registered by the CSCLB as professional community planners. Statutory fees collected from registered professional community planners generated a total of \$7,875 in revenue (fees include \$30 for application and \$100 for registration) over the most recent biennial renewal cycle. Over the most recent renewal cycle, the CSCLB spent \$3,765 in *total* expenditures to administer the registration program.

As evidenced by the table on the next page, fee revenue collected from professional community planners exceeded total expenditures (by \$4,100 over the most recent renewal cycle). By eliminating the professional community planner registration program, these bills would be expected to eliminate future expenditures for the program, engendering an annual revenue loss equivalent to the difference between expenditures and fee revenue.

Professional Community Planners Registration							
Fiscal Year	Revenue	Expenditures				Net	
		Licensing	Enforcement	Adjudication	Info Tech	TOTAL	Rev-TotExp
2012	\$3,550	\$1,477	\$0	\$0	\$398	\$1,875	\$1,675
2013	\$4,325	\$1,493	\$0	\$0	\$397	\$1,890	\$2,435
<b>Total</b>	<b>\$7,875</b>	<b>\$2,970</b>	<b>\$0</b>	<b>\$0</b>	<b>\$795</b>	<b>\$3,765</b>	<b>\$4,110</b>
<b>Average</b>	<b>\$3,938</b>	<b>\$1,485</b>	<b>\$0</b>	<b>\$0</b>	<b>\$398</b>	<b>\$1,883</b>	<b>\$2,055</b>
<b>Avg per Lic</b>	<b>\$52.50</b>	<b>\$20</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5</b>	<b>\$25</b>	<b>\$27</b>

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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.