

Legislative Analysis



OCCUPATIONAL CODE LICENSE RECIPROCITY

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House Bill 4924 as introduced
Sponsor: Rep. Bill G. Schuette
Committee: Rules
Complete to 10-15-25

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

SUMMARY:

House Bill 4924 would amend the Occupational Code to allow the Department of Licensing and Regulatory Affairs (LARA) to issue an occupational license or registration without examination to an individual who is licensed or registered in good standing in another state and who meets the conditions described below. These reciprocity provisions now apply to service members, veterans, and their dependents who meet the listed conditions. The bill would extend these provisions to apply to all individuals licensed or registered in another state.

All of the following conditions would have to be met for an individual to be issued a license or certificate of registration under the bill:

- The individual holds in good standing, and has held for at least one year, a valid license or registration in the applicable occupation from another state.
- The other state's licensure or registration requirements are substantially equivalent to, or exceed, those under the Occupational Code.
- The other state verifies that the individual meets the minimum education requirements and any work experience requirements.
- The individual has passed any examination required by the other state.
- The individual has not had a license or registration revoked, and has not voluntarily surrendered a license or registration, in another state or a foreign country while under investigation for unprofessional conduct.
- The individual does not have a pending complaint, allegation, or investigation related to unprofessional conduct in another state or a foreign country. If so, LARA could not issue or deny a license or registration until the matter is resolved.
- The individual has not had discipline imposed by another state. If so, LARA would have to determine whether the cause for the action was corrected and could not issue or deny a license or registration if the matter is not resolved.
- The individual pays all applicable fees.
- The individual is of good moral character.
- The individual meets any applicable age requirement for the occupation under the code.

Occupations regulated under the code include architects, barbers, certified public accountants, collection agency managers, cosmetologists, funeral directors (mortuary science), hearing aid dealers, landscape architects, personnel agents, professional engineers, professional surveyors, real estate appraisers, real estate brokers and salespeople, residential builders and maintenance and alteration contractors, and some related occupations.

The code now generally allows LARA to issue temporary licenses and registrations to service members, veterans, and their dependents licensed or registered in another state, and it provides

reciprocity for certain occupations under specified conditions. The bill would allow LARA to continue to license or register individuals under these provisions.

MCL 339.217

FISCAL IMPACT:

House Bill 4924 would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs. The bill would remove the requirement that an individual licensed out of state be associated with the military in order to be eligible for licensure in Michigan. LARA has indicated that the bill would affect all license types under the Occupational Code; currently, there are about 340,000 licensed professionals. The department anticipates that the bill would increase the volume of individuals requesting licensure through this process, which would require additional staff time and resources for determining equivalency between Michigan license requirements and other states' license requirements. Estimates for the number of requests expected and associated costs are unavailable.

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