




STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: January 24, 2018

TO: Shelly Edgerton, Director
Licensing and Regulatory Affairs

FROM: Nick Khouri
State Treasurer 

SUBJECT: Bi-Annual Inflation Adjustment :
Michigan Professional Employer Organization Regulatory Act License Fees

Under MCL 338.3733(13):

(1) "The department [Department of Licensing and Regulatory Affairs (LARA)] may charge an application fee for an initial license under this act. The amount of the fee shall be determined by the department and shall not exceed \$1,500.00 for an individual license or \$1,500.00 for a PEO group license."

(4) "Subject to subsection (3), the annual license fee is \$1,500.00 for an individual license and \$1,500.00 for a PEO group license."

Further, under MCL 338.3733(13):

(5) The department [LARA] *may adjust* the license fees under this section every 2 years by an amount determined by the state treasurer to reflect the cumulative annual percentage change in the Detroit consumer price index in the preceding 2-year period and rounded to the nearest dollar. As used in this subsection, "Detroit consumer price index" means the most comprehensive index of consumer prices available for the Detroit area by the bureau of labor statistics of the United States department of labor." (Emphasis added)

The overall Detroit CPI-All Urban Consumers was 218.706 in 2015 and was 226.896 in 2017 which is an increase for this two-year period of 3.7 percent. Thus, LARA *may* increase the \$1,554 license fee amount by 3.7 percent or \$57 to \$1,611 in 2018.

Please call Eric Bussis (373-2148) or me (241-2624) if you have any questions

cc: Allan Pohl, Chief Deputy Director and Chief Financial Officer, LARA
Mike Beamish, Director, Licensing Division (LARA)
Eric Bussis
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