

Olds Plaza Building, 10th Floor Lansing, Michigan 48909 Phone: 517/373-6466 House Bills 5229 and 5242 Sponsor: Rep. Michael J. Griffin Committee: Consumers

Complete to 5-11-92

## A SUMMARY OF HOUSE BILLS 5229 AND 5242 AS INTRODUCED

<u>House Bill 5229</u> would amend the Occupational Code (MCL 339.105 et al) to require interior designers to be licensed, and to define "supervision" under the code. <u>House Bill</u> <u>5242</u> would amend the State License Fee Act (MCL 338.2214) to set the following fees for interior designers: a \$20 application fee; a \$100 annual license fee; and a \$50 reexamination fee. Neither bill could take effect unless both were enacted. A more detailed description of House Bill 5229 follows.

<u>Supervision</u>. The bill would define "supervision" for the purposes of the code as the overseeing of, or participation in, the work of another individual by an individual licensed or registered under the code. The supervisor and the supervised individual would have to continuously have the means to communicate directly, whether in person or electronically, and the supervisor would have to be regularly available to provide various review and educational functions specified by the bill. In addition, the supervisor would have to provide operating policies and procedures.

Licensure requirement. The bill would require interior designers to be licensed. The following would be exempted from the license requirement: an employee or subcontractor acting under the supervision of a licensed interior designer; an individual who did not prepare a document but who helped a customer select furnishings or decorating materials to be sold or installed by that individual or the individual's employer; an individual providing a kitchen or bathroom layout to be installed by a construction contractor; an individual preparing shop drawings for use in connection with his or her work; and, an owner doing interior design work on his or her nonpublic building. A license under the bill would be issued to an individual and not to a business entity.

<u>Protection of title</u>. A person could not call himself or herself an interior designer (or any of several similar titles) unless he or she was licensed under the bill. A firm that had used the term "decorating" in describing services offered as a residential builder or maintenance and alteration contractor could continue to use that term in its business name if the word "interior" was not used.

<u>Licensure board</u>. Licensure of interior designers would be overseen by a ninemember board established under Article 3 of the code, and consisting of six interior designers and three members of the general public. One of the public members would have to be an architect. Licensure criteria. The Department of Commerce would issue a license to someone who was of good moral character, passed an examination acceptable to the department and the board, and met one of the following requirements for education or experience: (1) at least six years of a combination of either post-secondary education in interior design or a first professional degree in architecture, plus experience in the actual practice of interior design or architecture; or (2) at least eight years of experience in the actual practice of interior design that is acceptable to the board.

<u>Reciprocity</u>. The department would issue a license to an individual who was of good moral character and licensed or registered in another state or country under requirements substantially equivalent to Michigan's.

"Grandfather" provision. Licensure would be granted to someone of good moral character who applied within one year after the bill took effect, if he or she met the regular education/experience requirement, or if he or she presented proof to the board of one of the following: completion of an examination meeting the standards of the National Council for Interior Design Qualification; licensure as an architect; or, that he or she had been teaching postsecondary courses in interior design, had a baccalaureate degree in interior design, and was a member of a council or certifying body setting educational standards for interior design programs and administering certification examinations for interior design.

<u>Continuing education</u>. The board could promulgate rules requiring completion of a program of continuing education as a condition of license renewal. The rules could specify various details to be required of a continuing education program.

Licensee duties. All agreements between a licensee and a customer would have to be in writing, with a copy going to the customer. A licensee also would have to account for all money received from a customer, showing the purpose for which funds were expended in accordance with the contract. A licensee would have to comply with all federal, state, and local building codes and ordinances and safety regulations. A licensee would have to maintain a physical place of business and promptly notify the department of any change of address. If the place of business was outside of Michigan, the licensee would have to file an irrevocable consent to service of process, thus giving service on the department in a noncriminal proceeding the same force and validity as personal service on the licensee.

Prohibited acts. Various actions would be specifically forbidden: nonperformance of a contractual duty, departure from customer-authorized plans, diverting funds from one customer's project to another's, helping in evasion of licensure, and allowing a license to be used by an unlicensed person. A licensee could not accept consideration from any party not the licensee's customer without disclosing the compensation arrangement to the customer. A licensee could not indicate that he or she had prepared plans if the documents had not been prepared by or under the supervision of the licensee. Finally, a licensee could not submit to a public official any document (such as a permit application) that did not bear the licensee's endorsement, including his or her name, business address, and license number.

<u>Document endorsements</u>. When a licensee attached his or her name to a document, he or she would be asserting all of the following: that he or she was responsible for

document contents, resolving technical issues, advising the client, and ensuring compliance with appropriate standards and regulatory requirements; that he or she was the individual whose professional skill and judgment were embodied in the document; that he or she was competent to prepare the document; that he or she was accountable for the work of subordinates; and that he or she controlled the issuance and filing of the document with public authorities. The board could promulgate rules specifying the design of a seal that would have to be used on documents that a licensee filed with a public authority.