

MECHANICAL LICENSING REVISIONS

House Bill 5435 as introduced Sponsor: Rep. Dan Lauwers

House Bill 5436 as introduced Sponsor: Rep. Roger Victory

House Bill 5437 as introduced Sponsor: Rep. Rob VerHeulen

Committee: Workforce and Talent Development Updated on 4-6-16

REVISED SUMMARY:

Taken together, House Bills 5435-5437 make amendments relating to the types of work that can be performed by a licensed mechanical contractor. Each of the bills would take effect 90 days after enactment.

<u>House Bill 5435</u> would amend Section 15 of the State Plumbing Act. That sections lists work for which a *plumbing license* is not required. The bill would add to that list: the replacement of a domestic water heater in a one-family or two-family dwelling that requires modification to an existing hot and cold water distribution supply by a *mechanical contractor licensed* under the Forbes Mechanical Contractors Act, if a permit is secured, required inspections are performed, and the installation complies with the applicable code.

<u>House Bill 5436</u> would amend Section 7 of the Electrical Administrative Act by revising what classes of work may be performed without an *electrical contractor license* issued under the act.

Currently, a licensed *mechanical contractor* may perform maintenance, service, repair, replacement, alteration, modification, reconstruction, or upgrades to control wiring circuits and electrical component parts within existing mechanical systems, including but not limited to, energy management systems, and controls on boilers, water heaters, furnaces, air conditioning compressors and condensers, fan controls, thermostats and sensors, and all interconnecting wiring associated with the mechanical systems in buildings which are on the load side of the unit disconnect, which is located on or immediately adjacent to the equipment, except for life safety systems wiring.

<u>HB 5436</u> would also allow for the <u>installation</u> of control wiring circuits and electrical component parts within existing mechanical systems and would eliminate the requirement that they be located on or immediately adjacent to the equipment.

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

<u>House Bill 5437</u> would amend Section 6 of the Forbes Mechanical Contractors Act by modifying the requirements that must be met before an applicant can take the licensure exam.

At present, an applicant is not considered eligible for examination unless the applicant is of good moral character, and has a minimum of three years of experience, or an equivalent of that experience acceptable to the Board of Mechanical Rules, and shown to the Department of Licensing and Regulatory Affairs (LARA), in one or more of following the work classifications:

- Hydronic heating and cooling and process piping.
- HVAC equipment.
- o Ductwork.
- o Refrigeration.
- Limited service, heating or refrigeration.
- Unlimited service, heating or refrigeration.
- Fire suppression.
- o Specialty.

Notarized statements

The bill would modify this provision by requiring an applicant to provide a notarized statement or statements to the board and department from the contractor of record, [or] present or former mechanical contractor employers of the applicant, that confirm that the applicant has a minimum of at least 6,000 hours of performance in each work classification for which a license is being sought. A notarized statement provided under this subdivision must include a detailed and specific description of the type of work performed by the applicant and the length of time he or she performed that work.

Educational experience can reduce work experience

Also, under the bill, for purposes of the three-year experience requirement in the provisions above, the bill would state that if an applicant provides satisfactory evidence of graduation from a recognized trade school, community college, or university mechanical contractor program with specialization in heating, ventilation, air conditioning, and refrigeration that is approved by the board, then the applicant shall receive a credit toward the three-year work experience requirement. The amount of the credit could not exceed one year or 2,000 hours of the required three years of experience, as determined by department.

Alternative way to be eligible for examination

HB 5437 also would add a new way for an individual to be eligible for examination. In this case, if the applicant currently holds, and has continuously held for at least the three-year period preceding the application, an active license in HVAC equipment, ductwork, limited heating service, or limited refrigeration and is applying for licensure in any of the following work classifications, then the following would apply:

• If currently licensed in HVAC equipment, is applying for a license in ductwork, limited heating service, limited refrigeration and air conditioning service, unlimited heating service, unlimited refrigeration, or air conditioning service or specialty.

- If currently licensed in refrigeration, and is applying for a license in limited or unlimited refrigeration and air conditioning service.
- If currently licensed in limited heating service, is applying for a license in unlimited heating service.
- If currently licensed in limited refrigeration and air conditioning service, is applying for a license in unlimited refrigeration and air conditioning service.

FISCAL IMPACT:

House Bills 5435 through 5437, as introduced, would have a fiscal impact on the Bureau of Construction Codes (BCC) within the Department of Licensing and Regulatory Affairs (LARA) by increasing costs to the extent that additional classifications for licensure would engender more complex regulatory procedures, verification of all experience would create further expenses not covered by the current statutory fees, and requiring the notarization of certain documents would limit the ability to file applications online.

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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.