

**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016**

Introduced by Senators Horn, Schuitmaker, MacGregor, Zorn, Knollenberg and Schmidt

ENROLLED SENATE BILL No. 963

AN ACT to revise, consolidate, and classify the laws of this state regarding the regulation of certain occupations in the skilled trades and to regulate persons and activities relative to those occupations; to create a board for each of those occupations; to establish the powers and duties of certain state and local governmental officers and entities, including the boards created under this act; to provide for the promulgation of rules; to provide for fees; to provide for penalties and civil fines; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

ARTICLE 1

SHORT TITLE, DEFINITIONS, AND EFFECTS OF FORMER ACTS

Sec. 101. This act shall be known and may be cited as the “skilled trades regulation act”.

Sec. 103. As used in this act:

(a) “Administrative procedures act of 1969” means the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(b) “Armed forces” means the United States Army, Air Force, Navy, Marine Corps, or Coast Guard or other military force designated by Congress as a part of the armed forces of the United States.

(c) “Board” means, in each article of this act that is related to a specific occupation or occupations, the board that is created in that article and composed principally of members of the regulated occupation or occupations, or the commission or other agency that is defined in or designated as the board for purposes of that article. In this article, “board” means any board created or agency designated as a board under any other article of this act.

(d) “Board files” means the records, memoranda, opinions, minutes, and similar written materials that were formerly in the physical possession and control of a board abolished by this act and the records, memoranda, opinions, minutes, and similar written materials of a board created under this act.

(e) “Censure” means an expression of disapproval of a licensee’s or registrant’s professional conduct, whether or not the conduct is a violation of this act or a rule promulgated or an order issued under this act.

(f) “Charitable organization” means a not-for-profit tax-exempt religious, educational, or humane organization.

(g) “Citation” means that term as described in section 537.

(h) “Competence” means a degree of expertise that enables an individual to engage in an occupation at a level that meets or exceeds minimal standards of acceptable practice for the occupation.

(i) "Complaint" means an oral or written grievance.

(j) "Completed application" means an application that is complete on its face and submitted with any applicable licensing or permit fees and any other information, records, approval, security, or similar item required by law or rule from a local unit of government, a federal agency, or a private entity but not from another department or agency of this state.

(k) "Contested case hearing" means a hearing under chapter 4 of the administrative procedures act of 1969, MCL 24.271 to 24.287, as authorized under chapter 5 of the administrative procedures act of 1969, MCL 24.291 to 24.292.

(l) "Department" means the department of licensing and regulatory affairs.

(m) "Director" means the director of the department of licensing and regulatory affairs or his or her authorized representative.

(n) "Disability" means an infirmity that prevents a board member from performing a duty assigned to the board member.

Sec. 105. As used in this act:

(a) "Enforcing agency" means that term as defined in section 2a of the Stille-DeRossett-Hale single state construction code act, MCL 125.1502a.

(b) "Formal complaint" means a document that states the charges of each alleged violation and is prepared by the department or the department of attorney general after a complaint is received by the department.

(c) "Former act" means former 1956 PA 217; former 1984 PA 192; former 1986 PA 54; former 2002 PA 733; or former 1965 PA 290, as applicable.

(d) "General public" means each individual who resides in this state and is 18 years of age or older; other than an individual or the spouse of an individual who is licensed or registered in the occupation or who has a material financial interest in the occupation that is regulated by the specific article in which the term is used.

(e) "Good moral character" means good moral character as defined in section 1 of 1974 PA 381, MCL 338.41.

(f) "Governmental subdivision" means a governmental subdivision as defined in section 2a of the Stille-DeRossett-Hale single state construction code act, MCL 125.1502a.

(g) "Incompetence" means a departure from, or a failure to conform to, minimal standards of acceptable practice for an occupation.

(h) "Knowledge and skill" means information, education, practical experience, and the facility to apply that information, education, and practical experience.

(i) "License" includes the whole or part of a governmental permit, certificate, approval, registration, charter, or similar form of permission required under a specific article of this act.

(j) "Licensee" means a person that is issued a license under this act.

(k) "Limitation" means a condition, stricture, constraint, restriction, or probation attached to a license that relates to the scope of practice of that occupation by the licensee. The term includes, but is not limited to, any of the following:

(i) A requirement that the licensee perform only specified functions of the licensee's occupation.

(ii) A requirement that the licensee perform the licensee's occupation only for a specified period of time.

(iii) A requirement that the licensee perform the licensee's occupation only within a specified geographical area.

(iv) A requirement that restitution be made or certain work be performed before a license is issued or renewed or the licensee is relicensed.

(v) A requirement that a person file a financial statement certified by an individual who is licensed as a certified public accountant under article 7 of the occupational code, 1980 PA 299, MCL 339.720 to 339.736, with the department at regular intervals.

(vi) A requirement that reasonably assures a licensee's competence to perform the licensee's occupation.

(vii) A requirement that all contracts of a licensee are reviewed by an attorney.

(viii) A requirement that a licensee have on file with the department a bond issued by a surety insurer that is approved by the department or cash in an amount determined by the department.

(ix) A requirement that a licensee deposit money received in an escrow account from which money may be disbursed only under certain conditions as determined by the licensee and another party.

(x) A requirement that a licensee file reports with the department at intervals determined by the department.

Sec. 107. As used in this act:

(a) "Michigan building code" means part 4 of the state construction code, R 408.30401 to R 408.30499 of the Michigan Administrative Code.

(b) "Michigan electrical code" means part 8 of the state construction code, R 408.30801 to R 408.30873 of the Michigan Administrative Code.

(c) "Michigan mechanical code" means part 9A of the state construction code, R 408.30901a to R 408.30996 of the Michigan Administrative Code.

(d) "Michigan plumbing code" means part 7 of the state construction code, R 408.30701 to R 408.30792 of the Michigan Administrative Code.

(e) "Municipality" means a city, village, or township.

(f) "Occupation" means a field of endeavor regulated under this act.

(g) "Person" means an individual, sole proprietorship, partnership, association, limited liability company, corporation, or common law trust or a combination of those legal entities. Person includes a department, board, school, institution, establishment, or governmental entity.

(h) "Probation" means a sanction that permits a board to evaluate over a period of time a licensee's fitness to practice an occupation regulated under this act while the licensee continues to practice the occupation.

(i) "Public access" means the right of a person to view and copy files under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(j) "Rule" means a rule promulgated under the administrative procedures act of 1969.

(k) "State construction code" means the rules promulgated by the state construction code commission under section 4 of the Stille-DeRossett-Hale single state construction code act, MCL 125.1504, R 408.30101 to R 408.31194 of the Michigan administrative code, including each part of that code that is of limited application, and any modification or amendment to those rules.

(l) "Stille-DeRossett-Hale single state construction code act" means 1972 PA 230, MCL 125.1501 to 125.1531.

Sec. 109. (1) A person that holds a license, registration, or certification issued under a former act on the day immediately preceding the effective date of this act is considered licensed, registered, or certified under this act until that license, registration, or certification expires, and the person may renew that license, registration, or certification in the manner described in this act.

(2) A board created in a former act shall continue as a board under this act, subject to the provisions of this act. The members of a board created under a former act serve as the initial members of the equivalent board under this act until their successors are appointed under this act or until the expiration of their respective terms, whichever occurs first.

(3) Rules promulgated by the department or by a board under a former act and in effect on the day immediately preceding the effective date of this act continue in effect to the extent that they do not conflict with this act. The rules shall be enforced by and may be amended or rescinded by the department or a board under this act.

(4) Any proceedings pending before the electrical administrative board under the authority of former 1956 PA 217, the board of mechanical rules under the authority of former 1984 PA 192, the board of boiler rules under the authority of former 1965 PA 290, the building officials advisory board under the authority of former 1986 PA 54, or the state plumbing board under the authority of former 2002 PA 733 shall be continued and be conducted and determined in accordance with that former act.

(5) A reference in any other law of this state to a former act is considered a reference to this act.

ARTICLE 2

ISSUANCE OF LICENSES

Sec. 201. (1) A person shall apply for a license under this act on an application form provided by the department and must include with the application the appropriate fees established by rules promulgated by the department under section 207. Subject to the exceptions described in section 203, the department shall issue a license to a person that meets the licensure requirements set forth in a specific article of this act and in rules promulgated under this act.

(2) The department shall establish the expiration date of licenses issued under this act by rule promulgated by the department under section 207. However, the department shall not issue, and the rules shall not permit, the issuance of a permanent license.

Sec. 203. (1) The department may issue a license to an individual under a specific article of this act if the individual demonstrates to the satisfaction of the department and a board, in the manner required under article 5, that the licensure requirements do not constitute a fair and adequate measure of the individual's knowledge and skills or that a required examination for receipt of a license does not serve as an adequate basis for determining whether an individual could perform an occupation with competence.

(2) The department shall not issue and a person shall not receive a license under this act until the person pays the appropriate fees established by rule promulgated by the department under section 207.

(3) The department may issue a license under this act with a limitation. If the department intends to impose a limitation on the issuance of a license of a person under a specific article of this act, the department shall notify the appropriate board of its intent, and the department may impose the limitation only with the approval of that board. However, if a board, within 60 days after it receives notification by the department under this subsection, does not approve or disapprove of the imposition of the limitation, the department may impose the limitation. A person that receives a license with a limitation may receive a review of the decision to place the limitation under section 533.

Sec. 205. (1) Unless otherwise provided in this act and subject to the limitations set forth in this section, the department shall renew the license of a person that fulfills all of the following requirements:

(a) Has applied to the department on a form provided by the department for renewal of the license. The completed application for renewal must be received by the department on or before the date prescribed by the department for the expiration of the current license.

(b) Has paid the appropriate fees established by rule promulgated by the department under section 207.

(c) Has met the renewal requirements set forth in a specific article of this act, a rule promulgated under this act, or an order issued under this act.

(2) Except as otherwise provided in this act, the department may renew the license of an individual that does not meet the requirements for renewal if the individual demonstrates to the satisfaction of the department and a board, if applicable, in the manner required under article 5, that the requirements for renewal as set forth in a specific article of this act or a rule promulgated under this act do not constitute a fair and adequate measure of the individual's knowledge and skills or that the requirements for renewal do not serve as an adequate basis for determining whether an individual could continue to perform an occupation with competence. However, if attendance in a continuing education program is a requirement for renewal of a license, the department shall not waive that requirement under this subsection.

(3) The department shall not issue a license under this act until the person seeking renewal pays the appropriate fees established under this act or by rule promulgated by the department under section 207.

(4) The department may issue a license under this act with a limitation. If the department intends to place a limitation on the license of a person under a specific article of this act, the department shall notify the appropriate board of its intent, and the department may impose the limitation only with the approval of that board. However, if a board, within 60 days after it receives notification by the department under this subsection, does not approve or disapprove of the imposition of the limitation, the department may impose the limitation. A person that receives a license renewal with a limitation may receive a review of the limitation under section 533.

(5) It is the responsibility of the licensee to renew a license. The department shall send a renewal application to the last known physical or electronic address of a licensee on file with the department. The failure of a licensee to notify the department of a change of address does not extend the expiration date of a license and may result in disciplinary action.

Sec. 207. (1) The department, in consultation with the appropriate board, shall promulgate any rules it considers necessary and appropriate to implement and administer articles 1 to 6 and to enable the department to fulfill its responsibilities under this act.

(2) The department, in consultation with the appropriate board, shall promulgate rules to establish the fees for licenses, examinations, and inspections. The fees shall reflect the actual costs and expenses of the department in issuing licenses and conducting inspections. The fees in effect on the day immediately preceding the effective date of this act shall continue in effect until the department promulgates rules under this subsection. This subsection does not apply to any specific fee if the amount of that fee is established in this act.

(3) The department, in consultation with the appropriate board, shall promulgate rules to establish the fee schedules for other items, including, but not limited to, variance requests, product approvals, or special inspections. The fees shall reflect the actual costs and expenses of the department for those items.

(4) The department may promulgate rules to set the minimal standards of acceptable practice for an occupation.

Sec. 209. (1) Before an examination or other test required under this act is administered and except as otherwise provided in this act, the department and the appropriate board, acting jointly, shall review and approve the form and content of the examination or other test. The examination or test shall be structured to provide a measure of whether an individual has sufficient knowledge and skills to perform an occupation with competence.

(2) Except as otherwise provided in this act, subject to subsection (4), the department shall administer, score, and monitor an examination or test under this section.

(3) Except as otherwise provided in this act, subject to subsection (4), the department shall provide the equipment, examination room, written form, and any other item needed to administer an examination or test under this section.

(4) The department may enter into an agreement with an entity that is not an agency of a state or the federal government that authorizes the entity to fulfill the department's responsibilities under subsection (2) or (3). The department shall promulgate any rules it considers appropriate to implement and administer this subsection.

Sec. 211. The department shall have control over and physical possession of the board files of each board. The department shall ensure that applicable laws concerning public access to the board files are met.

Sec. 213. (1) The department shall furnish office services to each board and perform managerial, administrative, and budgetary functions for each board.

(2) The department shall appoint administrative and secretarial staff, clerks, and employees necessary for the proper exercise of the powers and duties of a board.

(3) The department, subject to any limitations imposed by the civil service commission, may fire, suspend, promote, demote, or transfer an individual who is providing administrative or secretarial service for a board.

Sec. 215. The department shall provide a comprehensive orientation program for each individual who is appointed and confirmed as a member of a board.

Sec. 217. The department shall prepare and publish an annual report describing the activities of the department and each board. The annual report shall be filed with the governor and the legislature.

Sec. 219. (1) The department may grant a nonrenewable temporary license to an individual who is applying for licensure under a specific article of this act if the individual meets both of the following:

(a) He or she provides proof acceptable to the department that he or she holds a current license in good standing, or a current registration in good standing, in that occupation, issued by an equivalent licensing department, board, or authority, as determined by the department, in another state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, another territory or protectorate of the United States, or a foreign country.

(b) He or she did not previously have a license denied, revoked, or suspended.

(2) If approved by a board, a temporary license issued under subsection (1) is valid until 1 or more of the following occur:

(a) The results of the next scheduled examination are available.

(b) The results of the next required evaluation procedure are available.

(c) A license is issued.

(d) The next examination date of an examination for licensure in the applicable occupation, if the applicant does not take the examination.

(e) The applicant fails to meet the requirements for a license.

(f) A change in employment is made.

(3) In addition to a temporary license under subsection (1), the department shall grant a temporary license under a specific article of this act to an individual who applies for a temporary license if the applicant meets all of the following:

(a) He or she provides proof acceptable to the department that he or she is married to an individual who is serving in the armed forces and is on active duty.

(b) He or she provides proof acceptable to the department that he or she holds a current license in good standing, or a current registration in good standing, in the trade or occupation for which he or she is seeking a temporary license, issued by an equivalent licensing department, board, or authority, as determined by the department, in another state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, another territory or protectorate of the United States, or a foreign country.

(c) He or she provides proof acceptable to the department that his or her spouse is assigned to a duty station in this state and that he or she is also assigned to a duty station in this state under his or her spouse's permanent change of station orders.

(4) A temporary license issued under subsection (3) is valid for 6 months and may be renewed for 1 additional 6-month term if the department determines the temporary licensee continues to meet the requirements of subsection (3) and needs additional time to fulfill the requirements for initial licensure in this state.

(5) An individual shall not receive more than 2 temporary licenses described in subsection (1) under a specific article of this act within a 4-year period.

(6) The department may place a limitation on a temporary license granted under this section.

Sec. 221. If the records of an applicant for licensure under this act related to the education or experience required under a specific article of this act are unavailable from a foreign country, the applicant may, with the approval of the board and the department, take an examination or apply for a reciprocal license after submitting all of the following to the department:

(a) A notarized affidavit approved by the department that states the total number of years of education received, the name of the school or schools attended, the dates each school was attended, the degree obtained, the courses taken, the grades received, and the names of each former employer of the applicant.

(b) A notarized statement approved by the department from a governmental official testifying to the unavailability of the necessary records.

ARTICLE 3 BOARDS GENERALLY

Sec. 301. Unless otherwise provided in a specific article of this act, all of the following apply to a board:

(a) A board shall consist of 9 voting members, as follows:

(i) Six of the members of a board shall be individuals who have a license or registration in the occupation or occupations that the board monitors.

(ii) Three members of a board shall represent the general public.

(iii) The director is an ex officio member without vote of a board, but is not a member for purposes of section 5 of article V of the state constitution of 1963 or for determining a quorum.

(b) A member of a board, in addition to fulfilling the requirements set forth in a specific article, shall be at least 18 years old and a resident of this state.

Sec. 303. Unless otherwise provided in a specific article of this act, each of the following applies to the appointment of board members:

(a) The governor shall appoint an individual as a member of a board with the advice and consent of the senate, including an individual appointed to fill a vacancy on a board.

(b) In making an appointment, the governor shall seek nominations from a wide range of interested groups and persons, including appropriate professional associations, consumer associations, labor unions, and other organizations or individuals.

Sec. 305. Unless otherwise provided in a specific article of this act, all of the following apply to the members of a board:

(a) Except for a member described in subdivision (b), the term of a member who is appointed to a board is 4 years.

(b) An individual who is appointed to fill a vacancy on a board that is the result of a member's resignation, death, disability, or removal for cause by the governor shall serve for the balance of the term of the member he or she replaced and he or she may be reappointed for not more than 2 full terms.

(c) A vacancy is filled in the same manner as the original appointment was made. The governor shall appoint an individual as a member of a board, subject to the advice and consent of the senate under section 303, within 60 days after a vacancy occurs and within 60 days after the senate disapproves an appointment by the governor.

(d) The governor may remove a member of a board under section 10 of article V of the state constitution of 1963.

(e) Except as provided in subdivision (b), the governor shall not appoint an individual to serve for more than 2 consecutive terms.

(f) Of the initial members of a board created or first appointed, the terms of 3 of the members, including 2 of the members who have a license in an occupation that the board monitors and 1 of the members representing the general public, is 4 years; the terms of 2 of the members, including 1 of the members who has a license in an occupation that the board monitors and 1 of the members representing the general public, is 3 years; the terms of 2 of the members, including 1 of the members who has a license in an occupation that the board monitors and 1 of the members who represents the general public, is 2 years; and the terms of the remaining members are 1 year.

Sec. 307. The term of office of a member of a board shall commence on July 31 of the year he or she is appointed to the board.

Sec. 309. Annually, the legislature shall fix the per diem compensation of a member of a board. Travel or other expenses incurred by a member of a board in the performance of an official function is payable by the department under the standardized travel regulations of the department of technology, management, and budget.

Sec. 311. Unless otherwise provided in a specific article of this act, all of the following apply to the meetings of a board:

(a) A board shall meet as often as necessary to fulfill its duties under this act, but shall meet at least 2 times a year and at other dates set by the director.

(b) In addition to the meetings described in subdivision (a), special meetings of a board may be called by the chairperson or by a majority of members of the board. The department shall notify the members of the board of a special meeting at least 12 days before the date of the meeting.

- (c) A majority of the members appointed and serving on a board constitute a quorum.
- (d) A member of a board shall not vote by proxy.
- (e) A board shall conduct its meetings pursuant to the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

Sec. 313. Unless otherwise provided in a specific article of this act, all of the following apply to the operation of a board:

- (a) Annually a board shall elect a chairperson, a vice-chairperson, and any other officers the board determines are necessary. A board may fill a vacancy in an office of the board for the balance of the 1-year term.
- (b) A board may adopt bylaws for the regulation of its internal affairs.
- (c) A board shall report its activities to the department annually and as often as the director orders.

Sec. 315. (1) Each board created or continued under this act is created or continued within the department.

(2) A board's duties shall include the interpretation of a licensure or permit requirement of a specific article of this act, and, if necessary, the furnishing of aid in an investigation conducted under article 5. At the discretion of the board, a member of that board may attend an informal conference conducted under section 515. A board shall assist the department in the implementation of this act.

Sec. 317. After completion of a hearing conducted under section 519, a board shall assess a penalty or penalties under article 6.

Sec. 319. A board shall aid the department in interpreting a licensure or permit requirement described in this act that is incomplete or subjective in nature to determine whether the person seeking a license or permit or a renewal has met the requirements for the issuance or renewal.

Sec. 321. (1) Unless otherwise provided in a specific article of this act, a board and the department shall develop an examination or test required in a specific article. The board and the department in developing an examination or test may adopt an examination or test prepared by another agency if the board and the department determine that the examination or test serves as a basis for determining whether an individual has the knowledge and skills to perform an occupation with competence.

(2) The material required by the board and the department to develop an examination or test may be considered by the board in a closed session, if the board meets the requirements of section 7 of the open meetings act, 1976 PA 267, MCL 15.267.

Sec. 323. (1) A board abolished under this act shall surrender control over and physical possession of any board files to the department.

(2) The successor board, until the department determines otherwise, shall utilize the personnel, office space, and items or equipment that were utilized by an abolished board and that are needed for the board to function.

ARTICLE 4 LICENSE FEES

Sec. 401. (1) Unless the amount of a fee is established under a specific article of this act, the department by rule shall establish the specific amounts of the fees charged for licenses, permits, and other activities under this act.

(2) If the department receives a written request and the applicable fee, the department shall issue a license verification for a current license issued under this act.

Sec. 403. (1) This act does not prohibit a person that has a contract with the department, or any other person that provides direct services to an applicant or licensee, from collecting fees authorized under this act directly from that applicant or licensee.

(2) If the department terminates a contract with a person that has been administering a licensing examination to applicants for licensure in a specific occupation, and the department itself begins to administer the examination, the department shall not charge an applicant a fee that is greater than the fee charged under the terminated contract, unless the examination fee for that occupation is increased by rule promulgated by the department under section 207.

Sec. 405. An applicant must include a nonrefundable application processing fee with an application for a license. The department may also require that applicant include with the application any fee required for an examination or inspection or the fee for the initial license period.

Sec. 407. (1) An individual who is required to take an examination shall pay an examination fee before being scheduled for an examination.

(2) An individual who is scheduled for examination or reexamination and who fails to appear shall forfeit the examination fee.

(3) An individual who fails all or part of an examination may be reexamined, if eligible, after paying the fee for the complete examination or those parts of the examination he or she failed, as applicable.

(4) The department shall publish in its application instructions the deadline by which it must receive an application in order for an applicant to be scheduled for a required examination.

Sec. 409. (1) Except as otherwise provided in section 411, the department shall not issue a license to a person that has completed the requirements for a license or that seeks to renew a license until the person has paid the license fee.

(2) The department shall establish license fees on a per year basis. If licenses are established by rules promulgated by the department under section 207 as biennial or triennial renewals, the fee required shall be 2 or 3 times, as appropriate, the per year amount.

(3) Unless otherwise provided under this act or rules promulgated under this act, an applicant must complete all requirements for licensure within 1 year after the department received the license application or the department mails a notice of an incomplete application to the applicant at the applicant's last known physical or electronic address on file with the department, whichever is later. If the requirements for licensure are not completed within that period, the fees paid are forfeited to the department and the application is void. To obtain a license under this act, a person whose application is void under this subsection must submit a new application and fees and meet the standards in effect on the date the department receives the new application.

Sec. 411. (1) A person that fails to renew a license on or before the expiration date of the license shall not practice the occupation, operate, or use the title of that occupation after that date. A license shall lapse on the day after the expiration date.

(2) A person that fails to renew a license on or before the expiration date is permitted to renew the license by payment of the required license fee and a late renewal fee within 60 days after the expiration date.

(3) Except as otherwise provided in this act, the department shall relicense a person that fails to renew a license within the time period set forth in subsection (2), without examination and without meeting additional education or training requirements in force at the time of application for relicensure, if all of the following conditions are met:

(a) The person applies within 3 years after the expiration date of the last license.

(b) The person pays an application processing fee, the late renewal fee, and the per year license fee for the upcoming licensure period.

(c) Any penalties or conditions imposed by disciplinary action in this state or any other jurisdiction have been satisfied.

(d) The person submits proof of having completed the equivalent of 1 year of continuing education within the 12 months immediately preceding the date of application or as otherwise provided in a specific article of this act or by rule, if continuing education is required for that license under a specific article.

(4) Except as otherwise provided in this act, the department shall relicense a person whose last license expired 3 or more years before the application for relicensure if the person shows that the person meets the requirements for licensure established by the department in rules or procedures. The rules or procedures may require that an individual pass all or part of a required examination, complete continuing education requirements, or meet current education or training requirements.

(5) Unless otherwise provided in this act, a person that seeks relicensure shall file a completed application, on a form provided by the department, pay the application processing fee, and file a petition to the department and the appropriate board stating reasons for relicensure and including evidence that the person can and is likely to serve the public in the regulated activity with competence and in conformance with all other requirements prescribed by law, rule, or an order of the department or board. The department shall review a petition for relicensure in the same manner as a petition for review under sections 527 to 531. If approved for relicensure, the person shall pay the per year license fee for the upcoming license period if appropriate.

(6) Notwithstanding any provision in this act to the contrary, an individual or qualifying officer who is a licensee under this act and who is on active duty in the armed forces is temporarily exempt from any renewal license fee, continuing education requirements, or other related requirements of this act applicable to that license. It is the obligation of the licensee to inform the department by written or electronic mail of the desire to exercise the temporary exemption under this subsection. If the licensee applying for the temporary exemption is the individual responsible for supervision and oversight of licensed activities, the licensee shall provide notice of arrangements for adequate provision of that supervision and oversight to the department. The licensee shall accompany the request with proof, as determined by the department, to verify the mobilized duty status. If it receives a request for a temporary exemption under this

subsection, the department shall make a determination of the requestor's status and grant the temporary exemption after verification of active duty status under this subsection. A temporary exemption is valid until 90 days after the licensee's release from the active duty on which the exemption was based, but shall not exceed 36 months from the date of expiration of the license.

Sec. 413. (1) The department may enter into an agreement with an entity that is not an agency of a state or the federal government to provide an electronic continuing education tracking system that provides an electronic record of the continuing education courses, classes, or programs completed by all of the individuals who are licensed or registered under this act and are subject to continuing education requirements under this act.

(2) All of the following apply to an electronic system provided by an agreement under subsection (1):

(a) All continuing education tracking provided by the system must accurately reflect the continuing education requirements under this act and rules promulgated under this act.

(b) A confirmation of completion of continuing education requirements generated by the system is considered verification of completion of those requirements for renewal of a license or registration and for purposes of any audit of licensees or registrants conducted by the department.

(c) The system must provide access to continuing education information about an individual who is licensed or registered under this act to the individual, to the appropriate board for the individual's occupation, and to the department.

Sec. 415. (1) It is a condition of licensure, renewal, or relicensure that all fees and fines owed to the department are paid.

(2) It is a condition to obtaining a permit that all fees and fines owed to the department are paid, including, but not limited to, current and previous permit fees, inspection fees, plan review fees, and administrative fines.

(3) The amounts owed for permitting, inspections, plan review, and administrative fines in connection with work performed on real property become a lien on the real property 90 days after issuance if not paid. The lien for those amounts, and for all interest and penalties on those amounts, shall continue until paid.

Sec. 417. The department shall waive the fee for an initial license or initial registration that is otherwise required under this act, or an application processing fee charged by the department for an initial license or initial registration, if the applicant is an individual who served in the armed forces and he or she provides to the department a form DD214, form DD215, or any other form that is satisfactory to the department that demonstrates he or she was separated from that service with an honorable character of service or under honorable conditions (general) character of service.

Sec. 419. All fees and money received by the department for the licensing of persons under this act, and any other income the department receives under this act, shall be paid into the state construction code fund created in section 22 of the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1522.

ARTICLE 5

COMPLAINTS, INVESTIGATIONS, AND ADMINISTRATIVE PROCEEDINGS

Sec. 501. A complaint that alleges that a person has violated this act or a rule promulgated or an order issued under this act shall be submitted to the department. The department of attorney general, the department, a board, or any other person may file a complaint.

Sec. 503. If it receives a complaint, the department shall immediately begin an investigation of the allegations of the complaint and shall open a correspondence file. Within 15 days after it receives a complaint, the department shall make a written acknowledgment of the complaint to the person that made the complaint. If the complaint is made by the department, the director shall designate 1 or more employees of the department to act as the person that made the complaint.

Sec. 505. The department shall conduct the investigation required under section 503. In furtherance of that investigation, the department may request that the attorney general petition a circuit court of this state to issue a subpoena that requires a person to appear before the department and be examined with reference to a matter within the scope of the investigation and to produce books, papers, or documents pertaining to the investigation.

Sec. 507. (1) The investigative unit of the department, within 30 days after the department receives the complaint, shall report to the director on the results of the investigation. If, for good cause shown, an investigation cannot be completed within 30 days, the director may extend the time in which a report may be filed. The total number of extensions granted under this section shall be included in the report required under section 217.

(2) If the report of the investigative unit of the department does not disclose a violation of this act or a rule promulgated or an order issued under this act, the department shall close the complaint. The department shall forward the reasons for closing the complaint to the respondent and complainant, who then may provide additional information to reopen the complaint.

(3) If the report of the investigative unit made under subsection (1) discloses evidence of a violation of this act or a rule promulgated or an order issued under this act, the department or the department of attorney general shall prepare the appropriate action against the respondent which may be any of the following:

- (a) A formal complaint.
- (b) A cease and desist order.
- (c) A notice of summary suspension.
- (d) A citation.

Sec. 509. (1) After an investigation is conducted, the department may issue an order summarily suspending a license issued under this act based on an affidavit by an individual who is familiar with the facts set forth in the affidavit, or, if appropriate, based on an affidavit made on information and belief, that an imminent threat to the public health, safety, and welfare exists. After a summary suspension order is issued under this section, the department shall promptly commence the administrative proceedings described in this article to determine what additional administrative action is appropriate.

(2) If a person's license is summarily suspended under this section, the person may petition the department to dissolve the order. If it receives a petition under this subsection, the department shall immediately schedule a hearing to decide whether to grant or deny the request to dissolve the order.

(3) An administrative law hearings examiner shall grant a request to dissolve a summary suspension order made under subsection (2), unless sufficient evidence is presented that an imminent threat to the public health, safety, and welfare exists that requires emergency action and continuation of the director's summary suspension order.

(4) The record created at the hearing to dissolve a summary suspension order shall become part of the record on the complaint at a subsequent contested case hearing.

Sec. 511. (1) After an investigation is conducted, the director may order a person to cease and desist from a violation of this act or a rule promulgated or an order issued under this act.

(2) A person that is ordered to cease and desist under subsection (1) is entitled to a hearing before the department if a written request for a hearing is filed within 30 days after the effective date of the order.

(3) If a cease and desist order issued under this section is violated, the department of the attorney general may bring an action in a circuit court of this state to restrain and enjoin, temporarily or permanently, or both, a person from further violating the cease and desist order.

Sec. 513. A summary suspension order, cease and desist order, or injunctive relief issued or granted in relation to a license or permit issued under this act is in addition to and not in place of an informal conference under section 515(3); criminal prosecution; or proceeding to deny, revoke, suspend, or place a limitation on, a license or permit or any other action authorized under this act.

Sec. 515. (1) After an investigation is conducted and a formal complaint is prepared, the department shall serve the formal complaint on the respondent and the complainant. At the same time, the department shall serve the respondent with a notice that describes the compliance conference and hearing processes and offers the following alternatives to the respondent:

- (a) An opportunity to meet with the department to negotiate a settlement of the matter.
- (b) If the respondent is a licensee or registrant under this act, an opportunity to demonstrate compliance before a contested case hearing is held.
- (c) An opportunity to proceed to a contested case hearing.

(2) A respondent that is served with notice of a formal complaint under this section may select, within 15 days after the respondent receives the notice, 1 of the alternatives described in subsection (1). If a respondent does not select 1 of those alternatives within the time period described in this subsection, then the department shall proceed to a contested case hearing as described in subsection (1)(c).

(3) At any time during an investigation or administrative process under this article, the department may bring the parties together for an informal conference to attempt to resolve the issues raised in the complaint. An informal conference may be attended by a member of the board, at the discretion of that board, and may result in a settlement, consent order, waiver, default, or other method of settlement agreed on by the parties and the department. A settlement

may include the revocation, suspension, or limitation of a license or registration; censure; probation; restitution; or a penalty under article 6.

(4) A board may reject a settlement and require a contested case hearing.

(5) An authorized employee or agent of the department may represent the department in any contested case hearing.

Sec. 517. This act does not prevent a person against which a complaint is filed from showing compliance with this act, or a rule promulgated or an order issued under this act, in a contested case hearing.

Sec. 519. If an informal conference under section 515(3) is not held or does not result in a resolution of a complaint, the department shall hold a hearing as authorized under section 92 of the administrative procedures act of 1969, MCL 24.292. A member of a board may attend a hearing under this section.

Sec. 521. The department or the department of the attorney general may petition a circuit court to issue a subpoena that requires the person subpoenaed to appear or testify or produce relevant documentary material for examination at a proceeding conducted under section 515 or 519.

Sec. 523. (1) At the conclusion of a hearing conducted under section 519, the administrative law hearings examiner shall submit a determination of findings of fact and conclusions of law to the department and the department of the attorney general and the appropriate board in a hearing report. The submitted hearing report may recommend the assessment of penalties under article 6.

(2) The department shall submit a copy of a hearing report described in subsection (1) to the person that made the complaint and to the person against which the complaint was made.

Sec. 525. (1) Within 60 days after a board receives an administrative law hearings examiner's hearing report under section 523, the board shall meet and make a determination of the penalties to be assessed under article 6. The board shall make its determination based on the administrative law hearings examiner's report. A transcript of a hearing or a portion of the transcript shall be made available to a board on request. If a transcript or a portion of the transcript is requested, the board shall make its determination of the penalty or penalties to be assessed under article 6 at a meeting of the board held within 60 days after it receives the transcript or portion of the transcript.

(2) If a board does not determine the appropriate penalty or penalties to be assessed within the time limits described in subsection (1), the director may determine the appropriate penalty and issue a final order assessing that penalty.

(3) A member of a board who has participated in an investigation on a complaint filed with the department or who has attended an informal conference under section 515(3) shall not participate in making a final determination in a proceeding on that complaint.

Sec. 527. A person that is seeking a license or renewal under this act may petition the department and the appropriate board for a review if that person does not receive a license or renewal.

Sec. 529. A petition submitted under section 527 shall be in writing and shall set forth the reasons the petitioner believes that the department should issue the license or permit.

Sec. 531. The department may issue a license or renewal for an occupation regulated under this act, if, based on a review of the qualifications of the person that submitted a petition under section 527, the department and the appropriate board determine that the person could perform the occupation with competence.

Sec. 533. (1) If a limitation is placed on a license or the renewal of a license under section 203 or 205, the licensee, within 30 days after the limitation is placed on the license or renewal of the license, may petition the department in writing for a review of the decision to place the limitation.

(2) The department, in reply to a petition submitted under subsection (1), shall set forth the reasons the department determined that the limitation should be placed on the license or renewal of a license. The department shall send its reply to a petition submitted under subsection (1) to the petitioner within 15 days after the department receives the petition.

(3) The department and a board may remove a limitation on a license or renewal of a license, if, based on a review of the petitioner's qualifications, the department and the appropriate board determine that the person that submitted a petition under subsection (1) is able to perform with competence each function of the occupation without the limitation.

Sec. 535. Notwithstanding any other provision of this act, if an oral or written grievance was lodged before the effective date of this act against a person that is licensed under a former act, the department shall conduct the proceedings on that grievance in the manner prescribed in the former act.

Sec. 537. (1) An employee of the department may issue a citation to a person that is licensed under this act or required to obtain a license under this act if the employee observes or deduces from an investigation, inspection, or complaint that conduct or conditions exist or have existed that violate this act or rules promulgated or orders issued under this act.

(2) The department may send a citation to a respondent by certified mail, return receipt requested, or by electronic mail if the department has an electronic mail address for the respondent on file, or the employee of the department who issued the citation may deliver it in person.

(3) A citation shall contain all of the following:

(a) The date of the citation.

(b) The name and title of the employee of the department who issued the citation.

(c) The name and address of the respondent, and a statement indicating that the respondent is being cited for a violation of this act or rules promulgated or orders issued under this act.

(d) A brief description of the conduct or conditions that the employee of the department who issued the citation considers a violation of this act or rules or orders issued under this act and a reference to the section of this act, the rule, or the order the respondent is alleged to have violated.

(e) The proposed penalties or actions required for compliance, including the payment of a fine in an amount that does not exceed \$100.00 for each violation.

(f) A space for the respondent to sign as a receipt for the citation.

(g) A space where the respondent may accept the citation and agree to comply or may indicate that the respondent contests that the violation described in the citation occurred.

(h) A notice that the respondent must accept or contest the terms of the citation within 30 days.

(i) A brief description of the hearing process and the process for settlement through an informal conference under section 515(3).

(4) As used in this section, "employee of the department" means an individual who is employed by the department, or a person that is under contract to the department, whose duty it is to enforce the provisions of this act or rules promulgated or orders issued under this act.

Sec. 539. (1) A respondent has 30 days to notify the department in writing that the person accepts the conditions described in a citation or that the person contests the violation alleged in the citation occurred.

(2) If a respondent accepts the conditions described in a citation under subsection (1), the respondent, within 30 days after receiving the citation, shall sign the citation and return it to the department along with any fine or other material the respondent is required to submit under the terms of the citation. The department shall place the citation and accompanying material in the person's records with the department, and include in those records the nature of the violation and that the person accepted the conditions imposed. A citation issued under this section has the same force and effect as a final order issued by a board and may be disclosed to the public. If the department does not take any additional disciplinary actions against the person within 5 calendar years after the citation is issued, the department shall remove the citation and accompanying material from its records. If requested by the respondent, the department shall place a 1-page explanation prepared by the respondent in the department's files and shall disclose the explanation each time the department discloses the issuance of the citation.

(3) If the respondent does not admit to the violation alleged in a citation, the person may so state on the citation and return 1 copy to the department within the 30 days after the respondent receives the citation. If a respondent returns a copy of the citation that includes this statement within the 30-day time period, the citation is considered a formal complaint under section 515 and the administrative process described in that section applies.

Sec. 541. If a citation is signed as an indication that the respondent received the citation, the signature is considered a receipt of the citation and not an admission to the violation alleged in the citation.

ARTICLE 6

PENALTIES AND REMEDIES

Sec. 601. (1) A person shall not engage in or attempt to engage in the practice of an occupation regulated under this act or use a title designated in this act unless the person possesses a license issued by the department for the occupation.

(2) Subject to section 411, a person whose license is suspended, revoked, or lapsed, as determined by the records of the department, is considered unlicensed.

(3) A person that violates subsection (1) is guilty of a misdemeanor punishable by a fine of not more than \$500.00 or imprisonment for not more than 90 days, or both.

(4) A person that violates subsection (1) a second time is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 or imprisonment for not more than 1 year, or both.

(5) A person that violates subsection (1) a third or subsequent time is guilty of a felony punishable by a fine of not more than \$25,000.00 or imprisonment for not more than 5 years, or both.

(6) The remedies or penalties imposed for a violation of subsection (1) may include a requirement that restitution be made, based on proofs submitted to and findings made by the trier of fact as provided by law.

(7) Notwithstanding the existence and pursuit of any other remedy or penalty, an affected person may pursue an action for injunctive relief to restrain or prevent a person from violating subsection (1). If successful in obtaining injunctive relief, the affected person is entitled to actual costs and attorney fees. As used this subsection, "affected person" means a person that is directly affected by the actions of another person that is suspected of violating subsection (1) and includes, but is not limited to, a licensee, a board, the department, a person that has utilized the services of the person suspected of violating subsection (1), or a private association that is composed primarily of members of the occupation in which the person is engaging in or attempting to engage in or in which the person is using a title designated under this act without a license under this act.

(8) If construction is being undertaken contrary to a building permit, this act, or other applicable laws or ordinances, the enforcing agency shall give written notice to the person that holds the building permit, or if a permit has not been issued then to the person doing the construction, notifying that person of the violation of this act, or other applicable laws and ordinances, and that the person should appear and show cause why the construction should not be stopped. If the person doing the construction is not known, or cannot be located with reasonable effort, the enforcing agency may deliver the notice to the individual in charge of, or apparently in charge of, the construction. If the holder of the permit or the person doing the construction fails to appear and show good cause within 1 full working day after notice is delivered, the enforcing agency shall cause a written order to stop construction to be posted on the premises. A person shall not continue, or cause or allow to be continued, construction in violation of a stop construction order, except with permission of the enforcing agency to abate the dangerous condition or remove the violation, or except by court order. If an order to stop construction is not obeyed, the enforcing agency may apply to the circuit court for the county in which the premises are located for an order enjoining the violation of the stop construction order. This remedy is in addition to, and not in limitation of, any other remedy provided by law or ordinance, and does not prevent criminal prosecution for failure to obey the order.

(9) An investigation may be conducted under article 5 to enforce this section. A person that violates this section is subject to this section and sections 511, 603, and 611.

(10) The remedies under this section are independent and cumulative. The use of 1 remedy by a person does not bar the use of other lawful remedies by that person or the use of a lawful remedy by another person.

(11) If a conviction under subsection (3), (4), or (5) is entered by a court, the court shall notify the department by mail, facsimile transmission, or electronic mail.

(12) The attorney general or the prosecuting attorney of a county may bring an action in a court of competent jurisdiction to enforce this section.

Sec. 603. If a person violates this act or a rule or order promulgated or issued under this act, the department shall assess 1 or more of the following penalties:

(a) Placement of a limitation on a license.

(b) Suspension of a license.

(c) Denial of a license or renewal of a license.

(d) Revocation of a license.

(e) If the person is licensed under this act and except as otherwise provided in this act, an administrative fine to be paid to the department of not more than \$10,000.00.

(f) Censure.

(g) Probation.

(h) A requirement for the payment of restitution, based on proof submitted to and findings made by the hearing examiner after a contested case hearing.

Sec. 605. If payment of restitution is required under section 603, the department may suspend the license of the person required to pay the restitution until the restitution is made.

Sec. 607. A person that violates 1 or more of the provisions of a specific article of this act or that commits 1 or more of the following is subject to the penalties described in section 603:

- (a) Practices fraud or deceit in obtaining a license.
- (b) Practices fraud, deceit, or dishonesty in practicing an occupation.
- (c) Violates a rule of conduct of an occupation.
- (d) Demonstrates a lack of good moral character.
- (e) Commits an act of gross negligence in practicing an occupation.
- (f) Practices false advertising.
- (g) Commits an act that demonstrates incompetence.
- (h) Violates any other provision of this act or a rule promulgated under this act for which a penalty is not otherwise prescribed.
- (i) Fails to comply with a subpoena issued under this act.
- (j) Fails to respond to a citation under section 539.
- (k) Violates or fails to comply with a final order issued by a board, including a stipulation, settlement agreement, or a citation.
- (l) Aids or abets another person in the unlicensed practice of an occupation.

Sec. 609. If the parties in a contested case under article 5 agree to any fact involved in the controversy by stipulation or there is a finding of fact and conclusion of law in an action under that article that a person has violated this act, the hearings examiner shall assess costs related to the investigation of the violation and costs related to the prosecution of the action. The costs related to the investigation and prosecution include, but are not limited to, salaries and benefits of personnel, costs related to the time spent by the attorney general's office and other personnel working on the action, and any other expenses incurred by the department for the action.

Sec. 611. (1) The department may bring any appropriate action, including mediation or other alternative dispute resolution, in the name of the people of this state to carry out this act and to enforce this act.

(2) If the attorney general considers it necessary, the attorney general shall intervene in and prosecute any case that arises under this act.

(3) This section does not prohibit the department from bringing any civil, criminal, or administrative action for the enforcement of section 601.

(4) The department has standing to bring an administrative action or to directly bring an action in a court of competent jurisdiction regarding the unlicensed practice of an occupation regulated under this act.

Sec. 613. In the event of a criminal violation of this act, the department, the attorney general, and a county prosecutor may utilize the forfeiture provisions of chapter 47 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4701 to 600.4710, for items seized and determined to be proceeds of a crime, substituted proceeds of a crime, or the instrumentality of a crime as those terms are defined in section 4701 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4701.

ARTICLE 7

ELECTRICIANS AND ELECTRICAL CONTRACTORS

Sec. 701. As used in this article:

(a) "Apprentice electrician" means an individual other than an electrical contractor, master electrician, or electrical journeyman, who is engaged in learning about and assisting in the installation or alteration of electrical wiring and equipment under the direct personal supervision of an electrical journeyman or master electrician.

(b) "Board" means the electrical administrative board described in section 705.

(c) "Electrical contractor" means a person that is engaged in the business of erecting, installing, altering, repairing, servicing, or maintaining electrical wiring, devices, appliances, or equipment.

(d) "Electrical journeyman" means an individual other than an electrical contractor who, as his or her principal occupation, is engaged in the practical installation or alteration of electrical wiring. An electrical contractor or master electrician may also be an electrical journeyman.

(e) "Electric sign" means fixed, stationary, or portable self-contained, electrically illuminated equipment that has words or symbols designed to convey information or attract attention. Electric sign includes outline lighting. Electric sign does not include those signs that are indoor or outdoor portable applications or recognized holiday residential signs

listed with a recognized testing and approval agency and that use a cord cap-110 volt plug as the electrical energizing attachment method.

(f) “Electrical wiring” means all wiring, generating equipment, fixtures, appliances, and appurtenances in connection with the generation, distribution, and utilization of electrical energy, in or on a building, residence, structure, or properties. The term includes service entrance wiring as defined in the Michigan electrical code.

(g) “Fire alarm contractor” means a person that is engaged in the business of erecting, installing, altering, repairing, servicing, or maintaining wiring, devices, appliances, or equipment of a fire alarm system.

(h) “Fire alarm specialty apprentice technician” means an individual other than a fire alarm contractor or a fire alarm specialty technician who is engaged in learning about and assisting in the installation or alteration of fire alarm system wiring and equipment under the direct personal supervision of a fire alarm specialty technician.

(i) “Fire alarm specialty licensure” means licensure as a fire alarm contractor or a fire alarm specialty or apprentice technician.

(j) “Fire alarm specialty technician” means an individual other than a fire alarm contractor who, as his or her principal occupation, is engaged in the design and practical installation or alteration of fire alarm systems. An individual who is a fire alarm contractor may also be a fire alarm specialty technician.

(k) “Fire alarm system” means a system that is designed to detect and annunciate the presence of fire, or by-products of fire, installed in a building or structure. Fire alarm system does not include a single station smoke detector.

Sec. 703. As used in this article:

(a) “Jobsite” means the immediate work area within the property lines of a single construction project, alteration project, or maintenance project where electrical construction or alteration of electrical wiring is in progress.

(b) “Master electrician” means an individual who has the necessary qualifications, training, experience, and technical knowledge to supervise the installation of electrical wiring and equipment in accordance with the standard rules and regulations governing that work.

(c) “Minor repair work” means electrical wiring that has a value of \$100.00 or less.

(d) “Outline lighting” means an arrangement of incandescent lamps or electric discharge tubing that is an integral part of an electrical sign that outlines certain features, such as the shape of a building or the decoration of a window.

(e) “Related wiring” means any of the following:

(i) Except as otherwise provided in subparagraphs (i), (ii), (iii), and (iv), that portion of the electric sign wiring that originates at the load-side terminals of a disconnecting means located in the vicinity of the electric sign involved but does not include the installation of the disconnecting means, complete with line-side connections.

(ii) In the case of electric sign installations that have sign transformers installed physically apart from the electric sign, that portion of the electric sign wiring that originates at the load-side terminals of a disconnecting means located in the vicinity of the electric sign involved but does not include the installation of the disconnecting means, complete with line-side connections.

(iii) In the case of free-standing electric sign installations supplied through underground circuit conductors, that portion of the electric sign wiring that originates at a wiring termination point adjacent to, within, or immediately above the permanent base for the electric sign but does not include, if the base of the sign structure is suitable for use as a raceway, the installation of bushing, complete with free-length circuit conductors extending through to accommodate the connection of the related wiring within the sign structure raceway.

(iv) In the case of electric signs specifically designed to be connected directly to the building wiring raceway or cable supply, that portion of the electric sign wiring that originates at the point where the free-length circuit conductors extend through the building wiring raceway or cable at the specifically designed supply location for the electric sign involved but does not include the installation of the building wiring raceway or cable system to the specifically designated point of supply for the electric sign involved, complete with free-length circuit conductors extending through the building wiring raceway or cable to accommodate the connection of the related wiring.

(f) “Sign specialist” means an individual who, as his or her principal occupation, is engaged in the installation, alteration, or repair of electric signs.

(g) “Sign specialty contractor” means a person that is engaged in the business of manufacturing, installing, maintaining, connecting, or repairing electric sign wiring or devices, including wiring that is directly related to electric signs and is electrically dedicated as a sign circuit.

(h) “Sign specialty licensure” means licensure as a sign specialist or sign specialty contractor.

Sec. 705. (1) The electrical administrative board created in section 2 of former 1956 PA 217 shall continue in existence and is designated as the board for purposes of this article.

(2) The board shall consist of 10 members, as follows:

(a) The state fire marshal or his or her representative.

(b) Nine members, who are residents of this state and appointed by the governor, including each of the following:

(i) One member who is a representative of an insurance inspection bureau that operates in this state.

(ii) One member who is a representative of an electrical energy supply agency that operates in this state.

(iii) One member who is an electrical contractor that operates in this state.

(iv) One member who is a master electrician who serves as a supervisor.

(v) One member who is an electrical journeyman.

(vi) One member who is a chief electrical inspector of a municipality.

(vii) One member who is a representative of distributors of electrical apparatus and supplies.

(viii) One member who is a representative of manufacturers primarily and actively engaged in producing material fittings, devices, appliances, fixtures, apparatus, and similar products, used as a part of, or in connection with, an electrical installation.

(ix) One member who is a representative of the general public.

(3) The director of the department, or the authorized representative of the director, is an ex officio member of the board without vote.

(4) The governor shall designate a member of the board to serve as its chairperson at the pleasure of the governor and the members of the board may annually elect a vice-chairperson.

Sec. 707. (1) The examination fee for licensure of any of the following is \$100.00:

(a) Master electrician.

(b) Electrical contractor.

(c) Electrical journeyman.

(d) Fire alarm contractor.

(e) Fire alarm specialty technician.

(f) Sign specialty contractor.

(g) Sign specialist.

(2) The fee for an initial license, an apprentice electrician registration, or renewal of a license relating to electricians is as follows:

(a) Master electrician \$ 50.00.

(b) Electrical journeyman \$ 40.00.

(c) Apprentice electrician..... \$ 15.00.

(3) The fee for an initial fire alarm specialty technician license, a fire alarm specialty apprentice technician registration, or renewal of that license or registration is as follows:

(a) Fire alarm specialty technician..... \$ 50.00.

(b) Fire alarm specialty apprentice technician..... \$ 15.00.

(4) The fee for an initial sign specialist license or renewal of a sign specialist license is \$40.00.

(5) An apprentice electrician or specialty apprentice technician registration expires on August 31 of each year and is renewable within 30 days after that date if a renewal fee is paid. The amount of the fee is \$15.00. An applicant for registration under this subsection must submit proof of a sponsoring employer for initial or renewal registration.

(6) Except as otherwise provided in subsection (5) or (7), a license expires on December 31 of each year and is renewable not more than 60 days after that date if an application is submitted and the appropriate fee is paid. After March 1 of each year or after March 1 of the renewal year in the case of electrical contractors, fire alarm contractors, or sign specialty contractors, a license that is not renewed is void and the contractor may only be relicensed if an application for relicensure is submitted and the appropriate license fee for the appropriate class is paid.

(7) A license for an electrical contractor, fire alarm contractor, or sign specialty contractor expires December 31 of every third year. A license for an electrical contractor, fire alarm contractor, or sign specialty contractor is renewable not later than on March 1 every third year by submitting an application and paying 1 of the following amounts:

(a) A fee of \$300.00 by electrical contractors and fire alarm contractors.

(b) A fee of \$200.00 by sign specialty contractors.

(8) If a person that is applying for an initial contractor's license or for relicensure at a time other than between December 31 and March 1 of the year in which the department issues renewal licenses, the department shall compute

and charge the 3-year license fee described in subsection (7) on a yearly pro rata basis beginning in the year of the application until the last year of the 3-year license cycle.

Sec. 709. An applicant for a license who meets the requirements described in article 2 may sit for an examination if he or she does all of the following, as applicable:

(a) Establishes, in a manner satisfactory to the board, that he or she meets the experience requirement or an equivalent of that experience requirement for the particular class of licensure by submitting a notarized statement from current and past employers.

(b) For an applicant for a fire alarm specialty license, establishes, in a manner satisfactory to the board, that he or she meets the certification level under the standards of the National Institute for Certification in Engineering Technology, or the equivalent as determined by the board, at the level required for the particular class of fire alarm specialty licensure.

Sec. 711. The department shall issue an electrical contractor's license to a person that meets the requirements described in article 2 and either of the following:

(a) Is an individual who holds a master electrician's license.

(b) Has at least 1 full-time employee who is a master electrician, resides in this state, and is actively in charge of and responsible for Michigan electrical code compliance of all installations of electrical wiring and equipment.

Sec. 713. (1) The department shall issue a master electrician's license to an individual who is at least 22 years old, meets the requirements described in article 2, and meets either of the following:

(a) Has at least 12,000 hours of experience that was obtained over a period of 6 years or more, is related to electrical construction, the maintenance of buildings, or electrical wiring or equipment, and was performed under the supervision of a master electrician.

(b) Has held an electrical journeyman's license for at least 2 years.

(2) If he or she fails to pass the master electrician examination 2 times within a period of 2 years, an applicant is ineligible to sit for another examination for at least 1 year from the date of failure of the second examination. After that 1-year period, he or she is again eligible to sit for a master electrician examination if he or she presents to the board proof of the successful completion of a course on Michigan electrical code, electrical fundamentals, or electrical theory approved by the board.

(3) A holder of a master electrician's license cannot be used to meet the eligibility requirement described in section 711(a) or (b) for more than 1 electrical contractor's license.

(4) As a condition of renewal of a master electrician's license, the master electrician must demonstrate the successful completion of a course, approved by the board, concerning any update or change in the state construction code within 12 months after the update or change in that code. This requirement applies only during or after those years that the state construction code is updated or changed.

Sec. 715. (1) The department shall issue an electrical journeyman's license to any individual who is at least 20 years old, meets the requirements described in article 2, and meets either of the following:

(a) Has at least 8,000 hours of experience obtained over a period of at least 4 years related to electrical construction or maintenance of buildings or electrical wiring or equipment under the direct supervision of an individual who is licensed under this article.

(b) While on active duty in the armed forces, served as an interior electrician or in an equivalent job classification; was honorably discharged from that military service in the 1-year period preceding the date the license application is filed; and has, and provides with his or her application, an affidavit signed by a commanding officer, supervisor, or military superior with direct knowledge of the applicant's service that states that he or she has, at least 8,000 hours of entry-level experience in and basic knowledge of each of the following:

(i) General knowledge of the electrical trade, including terminology and the ability to make practical calculations.

(ii) The determination of system and circuit grounding and design and use requirements for grounding, including choosing proper size grounding conductors.

(iii) Knowledge of circuit classifications and ratings and design and use requirements for circuits, including branch circuit loads.

(iv) The determination of ampacity, type of insulation, usage requirements, methods of installation, protection, support, and termination.

(v) Knowledge regarding the installation of motors and control circuits.

(vi) The calculation of electrical loads and determination of proper size, rating, and type of service and feeder conductors.

(vii) Knowledge regarding fuses, circuit breakers, and all types of protective devices for conductors and equipment.

(viii) Knowledge of all types of raceways and their uses, including determining proper size, conductor fill, support, and methods of installation.

(ix) Knowledge of circuits and equipment characterized by usage and electrical power limitations, including differentiating them from electric light and power circuits.

(x) Knowledge of all types and applications of lighting fixtures, ratings, requirements for occupancies, special provisions, and clearances.

(2) If an applicant who otherwise meets the requirements of subsection (1)(b) has not attained 8,000 hours of entry-level experience or does not have basic knowledge in each of the areas described in subsection (1)(b)(i) to (x), he or she may provide with his or her application an affidavit signed by a commanding officer, supervisor, or military superior with direct knowledge of the applicant's service that states the amount of experience the applicant has attained and of which of the areas described in subsection (1)(b)(i) to (x) the applicant has basic knowledge, and the department may in its discretion grant the applicant credit toward the 8,000-hour experience requirement of subsection (1)(a) based on the applicant's experience.

(3) If an applicant fails to pass the electrical journeyman examination 2 times within a period of 2 years, the applicant is ineligible to sit for another examination until a period of at least 1 year after the date of failure of the second examination. After that 1-year period, he or she is again eligible to sit for an electrical journeyman's license if he or she presents to the board proof of the successful completion of a course on Michigan electrical code, electrical fundamentals, or electrical theory approved by the board.

(4) As a condition of renewal of an electrical journeyman's license, the electrical journeyman must demonstrate the successful completion of a course, approved by the board, concerning any update or change in the state construction code within 12 months after the update or change in that code. This requirement applies only during or after those years that the state construction code is updated or changed.

Sec. 717. (1) An individual who is employed as an apprentice electrician shall register with the board on a form provided by the board within 30 days after employment.

(2) The department shall issue a certificate of registration to an individual who is seeking registration under this section if it receives satisfactory proof of the individual's participation in an apprenticeship training program that is approved by the board under subsection (4).

(3) The ratio of electrical journeymen or master electricians to registered apprentice electricians shall be on the basis of 1 electrical journeyman or master electrician to no more than 3 registered apprentice electricians. The department or an enforcing agency shall enforce the ratio on a jobsite basis.

(4) For the purposes of this section, the board shall approve any bona fide apprenticeship training program that complies with subsection (3) and, excluding any requirements related to jobsite ratios that are inconsistent with subsection (3), is equivalent to or exceeds the requirements of those imposed by the Office of Apprenticeship in the United States Department of Labor.

Sec. 719. Subject to section 731(3), the department shall issue a fire alarm contractor's license to a person that meets the requirements described in article 2 and meets either of the following:

(a) Is an individual who holds a fire alarm specialty technician's license.

(b) Has at least 1 full-time employee who is a fire alarm specialty technician, resides in this state, and is actively in charge of and responsible for Michigan electrical code compliance of all installations of fire alarm system wiring and equipment.

Sec. 721. (1) Subject to section 731(3), the department shall issue a fire alarm specialty technician's license to an individual who is at least 20 years old, meets the requirements described in article 2, and is certified by the National Institute for Certification in Engineering Technology as an associate engineering technician, level II, or holds an equivalent certification in the field of fire alarm systems technology as determined by the board.

(2) As a condition of renewal of a fire alarm specialty technician's license, the fire alarm specialty technician must demonstrate the successful completion of a course, approved by the board, concerning any update or change in the state construction code relating to fire alarm systems within 12 months after the update or change in that code. This requirement applies only during or after those years that the state construction code is updated or changed.

(3) A holder of a fire alarm specialty technician's license cannot be used to meet the eligibility requirement described in section 719(a) or (b) for more than 1 fire alarm contractor's license.

Sec. 723. (1) An individual who is employed as a fire alarm specialty apprentice technician must register with the board on a form provided by the board within 30 days after the date he or she is employed.

(2) The department shall issue a certificate of registration to an individual seeking registration if it receives satisfactory proof of the individual's participation in a bona fide apprenticeship training program approved by the board.

(3) The ratio of fire alarm specialty technicians to registered fire alarm specialty apprentice technicians shall be on the basis of 1 fire alarm specialty technician to 2 registered fire alarm specialty apprentice technicians. The department or an enforcing agency shall enforce the ratio on a jobsite basis.

Sec. 725. A person that holds a valid electrical contractor's license, master electrician's license, electrical journeyman's license, or apprentice electrician's registration is not required to hold any specialty licenses in order to perform specialty installations.

Sec. 727. (1) Subject to section 731(5), the department shall issue a sign specialty contractor's license to a person that does all of the following:

(a) Meets the requirements described in article 2.

(b) Meets 1 of the following:

(i) Is an individual who holds a sign specialist's license.

(ii) Has at least 1 full-time employee who is a sign specialist, resides in this state, and is actively in charge of and responsible for Michigan electrical code compliance of all installations, maintenance, connection, and repair of electric signs and related wiring.

(c) Provides evidence of public liability insurance coverage.

(2) A licensed electrical contractor is not required to have a sign specialty.

Sec. 729. (1) The department shall issue a sign specialist's license to an individual who meets all of the following:

(a) Is at least 18 years old.

(b) Meets the requirements described in article 2.

(c) Has at least 4,000 hours of experience, obtained over a period of at least 2 years, related to the manufacture, installation, maintenance, connection, or repair of electric signs and related wiring, as verified by a contractor that is licensed under this article that is the current employer of the applicant. The individual may obtain the hours of experience required under this subdivision from multiple employers; and if the board determines that he or she has completed education that is equivalent to the work experience described in this subdivision, the department shall credit the number of hours of equivalent education that the individual completed, as determined by the board, toward the hours of experience required under this subdivision.

(d) Demonstrates the successful completion of a course concerning the installation, maintenance, connection, or repair of electric signs and related wiring as contained in the sign electrician's workbook published by the American Technical Publishers, Inc. or any other course designed to address the installation, maintenance, connection, or repair of electric signs and related wiring, as approved by the board.

(2) If an applicant fails to pass the sign specialist examination 2 times within a period of 2 years, the applicant is ineligible to sit for another examination until he or she presents to the board proof of the successful completion of a course on the Michigan electrical code and electrical fundamentals approved by the board.

(3) As a condition of renewal of a sign specialist's license, the sign specialist must demonstrate the successful completion of a course, approved by the board, concerning any update or change in applicable sections of the state construction code within 12 months after the update or change in that code. This requirement applies only during or after those years that the state construction code is updated or changed.

(4) A licensed master electrician, journeyman electrician, or apprentice electrician is not required to hold a sign specialist's license to perform those work activities.

Sec. 731. (1) Except as otherwise provided in section 737, a person shall not install any electrical wiring, devices, appliances, or appurtenances for the generation, distribution, and utilization of electrical energy, in or on any building, structure, or property, without a license. In a municipality where inspection service is provided, a person shall obtain a permit from the board or municipality that has jurisdiction.

(2) If electrical wiring, devices, appliances, or appurtenances described in subsection (1) are installed without compensation by a person that is licensed under this article for or on behalf of a charitable organization, the owner of the property on which the work is performed may obtain the permit required under subsection (1). However, the charitable organization exception under this subsection applies only to the reconstruction, renovation, or remodeling of 1- to 4-family dwellings.

(3) Except as otherwise provided in section 737, a person shall not erect, install, alter, repair, service, or maintain fire alarm system wiring, devices, appliances, or equipment in a building or structure without a license.

(4) Except as otherwise provided in section 737, a person shall not install, connect, repair, or maintain electric signs and related wiring without a license.

(5) Notwithstanding any other provisions of this article and after a proper application is submitted and the appropriate fees paid, the board and department shall issue a license without examination to an individual seeking sign specialty licensure if he or she is licensed, registered, or otherwise regulated in another state and the board determines that the standards in the other state meet or exceed the standards imposed in this article.

Sec. 733. (1) Except as otherwise provided in this section, this article does not apply in the jurisdiction of a municipality that adopts or has adopted an ordinance that does all of the following:

(a) Provides standards for the examination and licensing of master electricians, electrical or specialty contractors, electrical journeymen, sign specialists, and fire alarm specialty technicians and the registration of apprentice electricians and fire alarm specialty apprentice technicians that are at least as stringent as those established in this article.

(b) Provides for enforcement that is substantially similar to this article.

(c) Provides for civil and criminal penalties and a citation system for minor violations substantially similar to article 5.

(d) Provides for the inspection of electrical wiring and equipment.

(2) This article shall not be construed as limiting the power of a municipality to enact an ordinance described in subsection (1), to provide for the licensing of persons as electrical or specialty contractors that have a place of business located in the municipality, or to provide for the licensing of journeymen electricians, sign specialists, or fire alarm specialty technicians who reside in the municipality, except that the ordinance shall not require any of the following:

(a) The procurement of a license or permit to execute the classes of work specified in section 737(3)(c), (d), (e), and (f).

(b) The procurement of a permit by a provider to install, maintain, replace, or service any electrical wiring, equipment, or devices associated with a home monitoring system. As used in this subdivision and subdivision (c):

(i) "Home monitoring system" means a device or an assembly of equipment and devices that allows individuals to remotely monitor their home through audio, video, or sensor detection systems and that may allow them to remotely control the home's environment, including, but not limited to, controlling temperature, humidity, lighting, doors, or locks.

(ii) "Provider" means a system provider that is registered under the security alarm systems act, 2012 PA 580, MCL 338.2181 to 338.2187, or a security alarm system contractor that is licensed under the private security business and security alarm act, 1968 PA 330, MCL 338.1051 to 338.1092.

(c) The procurement of a license or permit by a provider to install, maintain, replace, or service a security alarm system. As used in this subdivision, "security alarm system" means that term as defined in section 2 of the security alarm systems act, 2012 PA 580, MCL 338.2182, or section 2 of the private security business and security alarm act, 1968 PA 330, MCL 338.1052.

(d) The procurement of public liability insurance in excess of the coverage required under this article.

(3) A license or registration issued by the board under this article and licenses issued by a municipality that has standards for licensing at least as stringent as those established by the board shall be recognized by all municipalities.

(4) A municipality that provides for electrical inspection by local ordinance may require all electrical or specialty contractors, sign specialists, fire alarm specialty technicians, and classes of electricians doing work in the municipality to register in accordance with its local ordinance.

(5) Municipal registration requirements shall be reciprocal between the municipalities and between municipalities and the board as to registration requirements and fees, except that licensed electrical journeymen, sign specialists, and fire alarm specialty technicians are not required to register to work in municipalities under the jurisdiction of the board. A municipality shall officially recognize a license or registration issued under this article for purposes of its ordinance.

Sec. 735. A municipality that provides standards for electrical wiring and for inspection and licensing under section 733 may require by ordinance that all electrical or specialty contractors, master electricians, fire alarm specialty technicians, sign specialists, and electrical journeymen that are within its licensing jurisdiction must apply to and be licensed by the board under this article.

Sec. 737. (1) Except as otherwise provided in this article or in subsection (3), a person shall not engage in the business of electrical contracting unless the person has received from the board or from the appropriate municipality an electrical contractor's license.

(2) Except as otherwise provided in this article or in subsection (3), an individual, other than an individual who is licensed under this article and employed by and working under the direction of a holder of an electrical contractor's license, shall not in any manner undertake to execute any electrical wiring.

(3) A licensee is not required to perform any of the following classes of work:

(a) Minor repair work.

(b) The installation, alteration, repairing, rebuilding, or remodeling of elevators, dumbwaiters, escalators, or man lifts performed under a permit issued by an elevator inspection agency of this state or a municipality of this state.

(c) The installation, alteration, or repair of electrical equipment and its associated wiring installed on the premises of consumers or subscribers by or for an electrical energy supply or communication agency for use by that agency in the generation, transmission, distribution, or metering of electrical energy or for the operation of signals or transmission of intelligence.

(d) The installation, alteration, or repair of electrical wiring for the generation and primary distribution of electric current, or the secondary distribution system up to and including the meters, if that work is an integral part of the system owned and operated by an electric light and power utility in rendering its duly authorized service.

(e) Any work involved in the manufacture of electric equipment, including the testing and repairing of that manufactured equipment.

(f) The installation, alteration, or repair of equipment and its associated wiring for the generation or distribution of electric energy for the operation of signals or transmission of intelligence if that work is performed in connection with a communication system owned or operated by a telephone or telegraph company in rendering its authorized service as a telephone or telegraph company.

(g) Any installation, alteration, or repair of electrical equipment by a homeowner in a single family home and accompanying outbuildings owned and occupied or to be occupied by the individual who is performing the installation, alteration, or repair of electrical equipment.

(h) Any work involved in the use, maintenance, operation, dismantling, or reassembling of motion picture and theatrical equipment used in any building with approved facilities for entertainment or educational use and that has the necessary permanent wiring and floor and wall receptacle outlets designed for the proper and safe use of that theatrical equipment, but not including any permanent wiring.

(i) Work performed by a person that is licensed as a mechanical contractor in a classification described in section 807(2)(a), (b), (d), (e), and (f), a person that is licensed as a plumbing contractor under article 11, and employees of those persons, while performing maintenance, service, repair, replacement, alteration, modification, reconstruction, or upgrading of control wiring circuits and electrical component parts in existing mechanical systems defined in the Michigan mechanical code and the Michigan plumbing code, including, but not limited to, energy management systems, relays 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 that are on the load side of the unit disconnect, that is located on or immediately adjacent to the equipment, except for life safety systems wiring.

(j) Electrical wiring associated with the installation, removal, alteration, or repair of a water well pump on a single family dwelling to the first point of attachment in the house from the well, by a pump installer registered under part 127 of the public health code, 1978 PA 368, MCL 333.12701 to 333.12771.

(k) The installation, maintenance, or servicing of security alarm systems in a building or structure. As used in this subdivision, "security alarm system" means that term as defined in section 733(2)(c).

(l) The installation, maintenance, or servicing of listed residential and commercial lawn irrigation equipment, except any permanent wired connections exceeding 30 volts.

(m) The installation, maintenance, or servicing of listed landscape lighting systems and equipment, except any permanent wired connections exceeding 30 volts.

(n) The installation, alteration, maintenance, or repair of electric signs and related wiring by an unlicensed individual under the direct supervision of a licensed sign specialist except that the ratio of unlicensed individuals engaged in this activity shall not exceed 2 unlicensed individuals to 1 licensed sign specialist. An enforcing agency shall enforce this ratio on a jobsite basis.

(o) The construction, installation, maintenance, repair, and renovation of telecommunications equipment and related systems by a person that is primarily engaged in the telecommunications and related information systems industry. This exemption does not include the construction, installation, maintenance, repair, or renovation of a fire alarm system.

Sec. 739. (1) This article shall not be construed to relieve from or lessen the responsibility or liability of any party owning, operating, controlling, or installing any electric wiring, device, appliance, or equipment for damages to persons or property caused by any defect in that wiring, device, appliance, or equipment.

(2) The state of Michigan shall not be held as assuming any responsibility or liability described in subsection (1) by reason of an inspection or examination authorized under this article, the issuance of a certificate of approval, or the issuance of a license or certificate under this article.

ARTICLE 8 MECHANICAL CONTRACTORS

Sec. 801. As used in this article:

(a) "Air conditioning" means the process of treating air to meet the requirements of a conditioned space by controlling, either simultaneously or individually, the air's temperature, humidity, cleanliness, and distribution.

(b) "Board" means the board of mechanical rules described in section 805.

(c) "Cooling" means air conditioning as defined in subdivision (a).

(d) "Ductwork" means the air distribution arrangement for supply, return, and exhaust in air conditioning systems and in nonair conditioning systems, the materials and methods of which are specified in the Michigan mechanical code, or an equivalent nationally recognized model mechanical code. Ductwork includes flues, vents, and chimneys.

(e) "Fire suppression system" means an integrated combination of a fire alarm system and fire suppression equipment that as a result of predetermined temperature, rate of temperature rise, products of combustion, flame, or human intervention will discharge a fire extinguishing substance over a fire area.

(f) "Heating", used alone, means the use of any fuel or electricity to generate heat in an air conditioning system. When used with a qualifying term such as "hydronic", the term heating assumes the limited meaning expressed by that qualification.

(g) "Heating, ventilating, and air conditioning" or "HVAC" means the application of equipment and systems to provide air conditioning for occupants of buildings and structures. HVAC does not include the installation of portable self-contained refrigeration equipment and window-type air conditioners of not more than 1-1/2 horsepower.

(h) "Hydronic heating and cooling" means the application of equipment and systems which provide air conditioning by the controlled forced circulation of fluids or vapors in pipes.

Sec. 803. As used in this article:

(a) "Limited heating service" means the servicing of gas-designed sectional boilers that have inputs of not more than 1 million British thermal units, utilizing a combustion safeguard designed to shut off the main gas supply 10 or more seconds after pilot flame failure, and all other gas-fired or solid-fuel equipment and systems limited to input ratings of less than 400,000 British thermal units per unit; or oil-fired equipment and systems designed for the use of number 1 or number 2 fuel oil, that has a maximum firing rate of less than 5 gallons per hour per unit; or electrical furnaces and electric boilers that use the same kilowatts that are equivalent to the fossil fuel British thermal units generated.

(b) "Limited refrigeration and air conditioning service" means the servicing of refrigeration equipment and systems and air conditioning equipment and systems employing the refrigeration cycle of unlimited capacity utilizing group 1 refrigerants as listed in the Michigan mechanical code or an equivalent nationally recognized model mechanical code.

(c) "Process piping" means any piping which is not part of a system designed to provide air conditioning or of a refrigeration system. Process piping includes, but is not limited to, pipes that transfer chemicals and other fluids, gases, or vapors for systems other than air conditioning systems as covered by the Michigan mechanical code or an equivalent nationally recognized model mechanical code.

(d) "Refrigeration" means the use of equipment and systems, including, but not limited to, refrigeration piping, employing the refrigeration cycle to generate low temperatures for other than air conditioning equipment and systems. Refrigeration includes, but is not limited to, equipment and systems such as supermarket refrigeration, industrial refrigeration, the preservation of biological materials, and food storage facilities. Refrigeration does not include the installation of portable self-contained units such as refrigerators, dehumidifiers, and other similar equipment of not more than 1.5 horsepower or other equipment exempted from the Michigan mechanical code.

(e) "Servicing" means the maintenance, repair, and servicing of previously installed equipment and systems.

(f) "Specialty license" means a license issued under this article that allows the licensee to perform work within limits established by the board in 1 or more of the work classifications described in section 807(2).

(g) "Unlimited heating service" means the servicing of heating equipment and systems without restrictions concerning thermal capacity or grade of fuel oil or type of fuel.

(h) "Unlimited refrigeration and air conditioning service" means the servicing of refrigeration equipment and systems and air conditioning equipment and systems employing the refrigeration cycle unlimited as to thermal capacity or type of refrigerant.

Sec. 805. (1) The board of mechanical rules created in section 3 of former 1984 PA 192 shall continue in existence and is designated as the board for purposes of this article.

(2) The board shall consist of the state fire marshal or the state fire marshal's designee, who is a permanent member, and 14 residents of the state, appointed by the governor. All of the following apply to the appointed members of the board:

(a) An appointed member shall be at least 18 years old.

(b) Except for the representative of the general public, an appointed member shall be qualified in his or her respective field.

(c) The appointed members of the board shall include all of the following:

(i) An individual representing the general public.

(ii) A member of organized labor who represents the mechanical trades.

(iii) A professional mechanical engineer who is licensed under article 20 of the occupational code, 1980 PA 299, MCL 339.2001 to 339.2014, as a professional engineer.

(iv) A representative of an energy-producing public utility of the state.

(v) A representative from each of the work classifications described in section 807(2).

(vi) Two chief mechanical inspectors of governmental subdivisions, 1 of whom enforces the building officials and code administrators building code, and 1 of whom enforces the international conference of building officials building code.

(3) At the first meeting of each year, the board shall elect from its membership a vice-chairperson and secretary. The vice-chairperson and secretary shall be elected from those members appointed to the board by the governor, except that the board members who are chief mechanical inspectors are not eligible for election as vice-chairperson of the board. The governor shall designate 1 member of the board to serve as chairperson at the pleasure of the governor.

(4) Eight members of the board shall constitute a quorum for the transaction of business. An approval, decision, or ruling of the board does not become effective unless approved by 2/3 of the board members attending a meeting.

(5) The board may recommend to the state construction code commission the promulgation of rules the board considers necessary for the safe design, construction, installation, alteration, servicing, and inspection of systems used in compliance with the Michigan mechanical code, and may recommend modifications, additions, or deletions to this act to update and maintain this act as an effective and enforceable instrument. The board may also recommend to the state construction code commission, after testing and evaluating a material, product, method of manufacture, or method of construction or installation for acceptability under the state construction code, that the commission issue a certificate of acceptability for that material, product, or method.

Sec. 807. (1) An applicant is not eligible for a work classification examination under this article unless the applicant meets the requirements under article 2, is of good moral character, and has a minimum of 3 years of experience, or an equivalent of that experience, that is acceptable to the board, and shown to the department, in 1 or more of the work classifications described in subsection (2).

(2) A mechanical contractor's license that is issued under this article is classified and limited as 1 or more of the following:

(a) Hydronic heating and cooling and process piping.

(b) HVAC equipment.

(c) Ductwork.

(d) Refrigeration.

(e) Limited service, heating or refrigeration.

(f) Unlimited service, heating or refrigeration.

(g) Fire suppression.

(h) Specialty.

(3) For purposes of subsection (1), "experience" includes experience acquired while serving in the armed forces by an individual who was separated from that service, and who provides to the department a form DD214, form DD215, or any other form that is satisfactory to the department that demonstrates that he or she was separated from that service, with an honorable character of service or under honorable conditions (general) character of service.

(4) An individual described in subsection (3) shall submit with his or her application for licensure an affidavit or letter signed by a commanding officer, supervisor, or military superior with direct knowledge of the applicant's service that describes his or her experience as a mechanical contractor in 1 or more of the classifications described in subsection (2).

Sec. 809. (1) Except as provided in subsection (3) or (4) and section 819, an individual or other person shall not perform installations, alterations, or servicing of work classifications under section 807(2) that are regulated under the Stille-DeRossett-Hale single state construction code act unless the person, if the person is an individual, or an employee of the person has received a mechanical contractor's license from the department that has not been revoked or suspended, the license is classified and limited under section 807, and the holder of the license has secured the appropriate permit from the enforcing agency charged with the responsibility of issuing permits.

(2) A person that performs installations, alterations, or servicing of work classifications under section 807(2) shall designate the holder of a mechanical contractor's license described in subsection (1) as the contractor of record notify the department in writing of the designation.

(3) If work that is within 1 of the classifications described in section 807(2) is performed without compensation by a person that is licensed under this article for or on behalf of a charitable organization, the owner of the property on which the work is performed may obtain the permit required under subsection (1). However, this subsection applies only to the reconstruction, renovation, or remodeling of 1- to 4-family dwellings.

(4) A person that is registered as a system provider under the security alarm systems act, 2012 PA 580, MCL 338.2181 to 338.2187, or licensed as a security alarm system contractor under the private security business and security alarm act, 1968 PA 330, MCL 338.1051 to 338.1092, is not required to obtain a license from the department under this article or obtain a license or permit from a governmental subdivision or enforcing agency to perform work described in subsection (1) in connection with the installation, maintenance, replacement, or servicing of a thermostat for a heating, ventilating, and air conditioning system or a hydronic heating and cooling system.

(5) If a contractor of record regularly employs a qualified maintenance crew to perform mechanical contracting work regulated under this article in a facility, this article does not require that the contractor of record perform work in that facility.

Sec. 811. A municipality shall not establish or maintain local licensing requirements for the work classifications described in section 807(2) or work described in section 809(4). A governmental subdivision shall not prohibit a mechanical contractor that is licensed under this article from engaging in the work classification or classifications for which the mechanical contractor has a license, or a person described in section 809(4) from engaging in work for which that person is licensed or registered, unless the mechanical contractor is in violation of this act.

Sec. 813. (1) Each work classification examination fee for a mechanical contractor's license is \$100.00 or less, as determined by the department. Except as otherwise provided in subsection (2), the initial and per-year fee for the issuance of a mechanical contractor's license is \$100.00.

(2) An initial or renewal mechanical contractor's license expires on August 31 every third year and is renewable by filing an application and paying the license fee on or before October 31. If an individual is applying for an initial mechanical contractor's license or relicensure at a time other than between August 31 and October 31 of the year in which the department issues renewal licenses, the department shall compute and charge the license fee on a yearly pro rata basis beginning in the year of the application until the last year of the 3-year license cycle. A license that is not renewed is void for the purpose of obtaining a permit, and the contractor is eligible for relicensure only by applying for reinstatement and paying the license fee. The department shall not compute and charge a license fee for a renewal license on a pro rata basis. An individual who renews his or her license within 3 years after the license is voided under this section is not subject to reexamination for the license.

Sec. 815. (1) If an individual who is an employee of a person, or who is an officer of a person that is not an individual, and who is authorized to perform installations, alterations, or servicing in any of the work classifications described in section 807(2), is designated as the contractor of record for that person under section 809 and ceases to be an employee or officer of that person, the person has 90 days after the date the contractor of record ceases to be an employee or officer in which to designate an employee or officer who is a holder of a mechanical contractor's license as the new contractor of record. The person shall notify the department in writing of the designation.

(2) If an individual is licensed to perform installations, alterations, or servicing in 1 or more of the work classifications described in section 807(2) and is also the contractor of record, and that individual ceases to do business as a mechanical contractor and sells his or her business interest to another person, the buyer has 90 days to designate an employee or officer who is the holder of a mechanical contractor's license as the contractor of record. The buyer shall notify the department in writing of the designation.

Sec. 817. A mechanical contractor that is licensed under this article and performs work in a municipality shall register his or her license with the enforcing agency that issues permits and provides inspection services of mechanical contractor's work for that municipality. A registration under this section is valid until the expiration date of the mechanical contractor's license. A municipality shall grant registration to a mechanical contractor under this section if the mechanical contractor is licensed under this act and pays a fee established by the municipality in an amount that does not exceed \$15.00.

Sec. 819. An individual who is the owner of a single family dwelling that is, or on completion will become, his or her place of residence may personally install a heating or refrigerating system in the dwelling if the individual in his or her application for a permit affirms that he or she is or will become the owner and occupant of the dwelling in which the installation is done is completed and that the applicant will install the equipment in the dwelling for which the permit is requested. The applicant shall apply for and secure the required permits from the enforcing agency of the municipality and shall obtain the required inspection after the installation is completed and the equipment is placed in operation.

ARTICLE 9

BOILER INSPECTORS, INSTALLERS, REPAIRERS, AND OPERATORS AND STATIONARY ENGINEERS

Sec. 901. As used in this article:

(a) "Antique steam boiler" means a boiler that is no longer used in production applications and is used to demonstrate the historical significance of steam boilers in American history.

(b) "Approved apprenticeship program" means a training program for boiler operators or stationary engineers that is certified by or meets the standards of the Office of Apprenticeship in the United States Department of Labor and is approved by the board.

(c) "Associated auxiliaries" means equipment that is required in the operation of a boiler that includes, but is not limited to, pumps, regulators, feedwater heaters, superheaters, de-superheaters, economizers, air preheaters, draft fans, combustion and pollution control equipment, and prime movers.

(d) "Board" means the board of boiler rules described in section 905.

(e) "Boiler" means a closed vessel in which water is heated, steam is generated, or steam is superheated, or a combination of those actions occurs, under pressure or vacuum by the application of heat from combustible fuels, electricity, or nuclear energy. Boiler does not include facilities of an integral part of a continuous processing unit but does include a fired unit for heating or vaporizing liquids other than water, if the unit is separate from a processing system and is complete within itself.

(f) "Boiler for agricultural purposes" means a portable boiler used in a field or similar open area for the sole purpose of operating farm equipment or farm machinery.

(g) "Boiler operator" or "stationary engineer" means an individual who is engaged in the operation of boilers and associated auxiliaries.

(h) "Certificate inspection" means an inspection that is conducted for purposes of preparing a report described in section 945. The certificate inspection shall be an internal inspection if construction allows; otherwise the certificate inspection shall be as complete an inspection as possible.

(i) "External inspection" means an inspection that does not involve examination of the internal surfaces of the pressure parts of the boiler.

(j) "Heating surface" means the heating surface determined by the boiler manufacturer and recorded in the manufacturer's data report or by rules established by the board for a boiler if the manufacturer's data report is not available or the boiler is not stamped with its heating surface.

(k) "High pressure, high temperature water boiler" means a water heating boiler operating at pressure that exceeds 160 p.s.i.g. or temperatures that exceed 250 degrees Fahrenheit.

Sec. 903. (1) As used in this article:

(a) "Low pressure boiler" means a steam boiler operated at pressures that do not exceed 15 p.s.i.g., or a hot water heating boiler operated at pressures that do not exceed 160 p.s.i.g. or temperatures that do not exceed 250 degrees Fahrenheit.

(b) "P.s.i.g." means pounds per square inch gauge.

(c) "Power boiler" means a closed vessel in which steam or other vapor is generated at a pressure of more than 15 p.s.i.g. by the direct application of heat.

(d) "Process boiler" means a boiler that is operated at a pressure or temperature from which more than 10% of the boiler's capacity is used for direct steam humidification or direct process work.

(e) "Qualified technical education program" means an educational program that is approved by the board and that has a minimum of 350 contact hours in classroom hands-on training, field training, or supervised plant visits for high pressure boiler operators. The board may establish lesser standards for an educational program for low pressure operator training or other entry-level training positions only.

(f) "Qualified training program" means any of the following:

(i) An in-house training program approved by the board and offered to boiler operators and stationary engineers by an employer.

(ii) An in-house training program implemented or developed by a utility and offered to boiler operators and stationary engineers by an employer as a result of negotiations between an employer and its employees.

(iii) A boiler training program offered by a branch of the armed forces.

(g) "Secondhand boiler" means a boiler that has changed ownership and location after initial use.

(2) As used in this article and for purposes of any rules promulgated under this article, in connection with any requirements for a license to inspect, install, or repair boilers or for registration as a boiler operator or stationary engineer in 1 or more of the classifications described in section 933, "experience" includes any relevant experience acquired while serving in the armed forces by an individual who was separated from that service if all of the following are met:

(a) The applicant provides to the department a form DD214, a form DD215, or any other form that is satisfactory to the department that demonstrates that he or she was separated from that service, with an honorable character of service or under honorable conditions (general) character of service.

(b) The applicant submits with his or her application for licensure or registration an affidavit or letter signed by a commanding officer, supervisor, or military superior with direct knowledge of the applicant's service that describes his or her experience designing, constructing, manufacturing, installing, inspecting, operating, repairing, or maintaining boilers and associated auxiliaries while serving in the armed forces.

Sec. 905. (1) The board of boiler rules created in section 3 of former 1965 PA 290 shall continue in existence and is designated as the board for purposes of this article.

(2) The board shall consist of the director or the director's designee, who is a permanent member, and 13 individuals appointed by the governor. All of the following apply to the appointed members of the board:

(a) Except for the representative of the general public, an appointed member must have substantial experience in the design, erection, fabrication, installation, operation, repair, or inspection of boilers.

(b) The appointed members of the board shall include all of the following:

(i) One member who represents the general public.

(ii) Two members who represent owners and users of boilers in this state.

(iii) One member who represents owners and users of power boilers that operate at 1,000 p.s.i.g. or more.

(iv) Two members who represent organized labor in this state that engage in the erection, fabrication, installation, operation, or repair of boilers.

(v) One representative who represents water tube boiler manufacturers that do business in this state.

(vi) One member who represents fire tube boiler manufacturers that do business in this state.

(vii) One member who represents a boiler insurance company that is licensed to do business in this state.

(viii) One member who represents the mechanical contractors in this state that have experience in the installation, piping, or operation of boilers.

(ix) One member who represents boiler repair contractors in this state that are engaged in the business of repairing boilers by welding and riveting.

(x) One member who represents consulting engineers in this state who have boiler experience.

(xi) One member who represents antique steam boiler owners and operators.

(3) Seven members of the board constitute a quorum for the transaction of business. An approval, decision, or ruling of the board is not effective unless supported by a majority of the members present.

Sec. 907. (1) The department, in consultation with the board, shall promulgate rules for the safe construction, installation, inspection, alteration, servicing, operation, and repair of boilers in this state. For purposes of this subsection, the department by rule may adopt an existing published codification or national standards and any amendments and interpretations of the codification or standards.

(2) A departure from the requirements of this section is permitted in an unusual situation involving a boiler of special design or construction if the board is satisfied that a proposed facility will provide a degree of safety commensurate with the intent of this article.

(3) If the department receives an application and the appropriate fee, the board may without examination register an applicant for the use of a title described in section 931 if the applicant is a boiler operator or stationary engineer who is licensed or registered as a boiler operator or stationary engineer in another state or country or in a municipality whose requirements for licensure or registration are, at a minimum, substantially equivalent to the requirements of this

state for registration, as determined by the board, and that other state or country or that municipality extends the same privileges through reciprocity to a boiler operator or stationary engineer who is registered in this state.

Sec. 909. The state boiler inspection fund created under former 1965 PA 290 shall continue as a restricted fund in the state treasury. Beginning on the effective date of this act, all of the following apply to the state boiler inspection fund:

(a) The state treasurer is the custodian of the fund, may invest the surplus of the fund, and shall credit earnings from those investments to the fund.

(b) The state treasurer shall notify the director and the legislature of interest credited and the balance of the fund as of September 30 of each year.

(c) The director shall supervise and administer the fund and is the administrator of the fund for auditing purposes.

(d) Fees received by the department and money collected under this article shall be deposited in the state boiler inspection fund and shall be appropriated by the legislature for the operations of the boiler division and indirect overhead expenses in the department.

(e) Money in the fund at the end of each fiscal year shall remain in the fund and shall not lapse to the general fund.

Sec. 911. A boiler that does not conform to the rules and regulations formulated by the board that governs new construction and installation shall not be installed and operated in this state after July 1, 1966, unless the boiler is of special design or construction, is not covered by the rules and regulations, and is not in any way inconsistent with those rules and regulations, in which case the board in its discretion may grant a special installation and operation permit for that boiler.

Sec. 913. (1) The maximum allowable pressure of a boiler that carries the American Society of Mechanical Engineers' code symbol shall be determined by the applicable sections of the code under which it was constructed and stamped.

(2) The maximum allowable pressure of a boiler that does not carry the American Society of Mechanical Engineers' code symbol may be computed in accordance with the inspection code of the National Board of Boiler and Pressure Vessel Inspectors.

(3) This article shall not be construed in a manner that prevents the use, sale, or reinstallation of an existing boiler, if the boiler is made to conform to the rules and regulations of the board that governs existing installations and is found on inspection to be in a safe condition.

Sec. 915. This article does not apply to any of the following:

(a) Boilers under federal control.

(b) Boilers used in the power plants of self-propelled vehicles designed primarily for the transportation of individuals or property on a highway, except vehicles used exclusively on stationary rails or tracks.

(c) Boilers used solely for agricultural purposes.

(d) Steam or vapor boilers that carry a pressure of not more than 15 p.s.i.g. and are located in a private residence or in an apartment building with a capacity of fewer than 6 families.

(e) Hot water boilers operated at a pressure that does not exceed 160 p.s.i.g. or a temperature that does not exceed 250 degrees Fahrenheit and are located in a private residence or in an apartment building with a capacity of fewer than 6 families.

(f) Miniature steam or marine engines used as a hobby.

(g) Boilers used on farms for mint processing purposes.

(h) Subject to section 919, miniature hobby locomotives that operate on narrow gauge tracks that are less than 24 inches in width.

Sec. 917. An antique steam boiler shall comply with the rules promulgated by the board and shall be inspected once every 3 years. An owner of an antique steam boiler may request an inspection more often than every 3 years. An antique steam boiler used for commercial purposes shall be inspected annually. The department shall issue a certificate of inspection if the antique steam boiler is in compliance with the applicable rules.

Sec. 919. (1) The department shall inspect annually a miniature hobby locomotive that is operating in a public display or use. The inspection shall be conducted by a deputy inspector or special inspector or by a miniature hobby locomotive club in the manner described in subsection (3). The inspector shall file a copy of the inspection report with the chief inspector and provide a copy of the inspection report to the owner of the miniature hobby locomotive.

(2) The fee for an inspection under subsection (1) that is conducted by a deputy or special inspector is \$15.00. If the owner demonstrates that the miniature hobby locomotive boiler complies with the applicable rules governing miniature hobby locomotives, the department shall issue a certificate of inspection to that owner for the locomotive.

(3) A miniature hobby locomotive club may apply to the board for approval to inspect and certify boilers used in miniature hobby locomotives and the board shall grant that approval if the board determines that the club complies with and applies the inspection and certification standards established in the rules. After approval and authorization by the board, the miniature hobby locomotive club may inspect boilers and certify to the board that a miniature hobby locomotive complies with the standards contained in the rules.

(4) As used in this section, "public display or use" means display to or use by the general public and not by the owner or the owner's family.

Sec. 921. (1) Subject to civil service rules, the director shall appoint a chief inspector for purposes of subsection (2). The department may only appoint an individual who meets all of the following as the chief inspector:

(a) Is a resident of this state.

(b) Has at least 10 years of experience in the inspection, construction, maintenance, repair, or operation of high pressure boilers as a mechanical engineer, steam operating engineer, boilermaker, or boiler inspector.

(c) Has passed the chief inspector examination under section 927 or meets either of the following:

(i) Holds a license or a certificate of competency as an inspector of boilers for a state that has a standard of examination substantially equal to the standard of this state, as determined by the board.

(ii) Holds a license as an inspector of boilers issued by the National Board of Boiler and Pressure Vessel Inspectors.

(2) If authorized by the director, the chief inspector appointed under subsection (1) may do any of the following:

(a) Cause the prosecution of all violators of this article.

(b) Issue, revoke for cause, or suspend inspection certificates under section 945.

(c) Enforce the laws of the state that govern the use of boilers to which this article applies.

(d) Keep a complete record of the type, dimensions, maximum allowable pressure, age, location, and date of the last recorded inspection of all boilers to which this article applies.

Sec. 923. Subject to civil service rules, the director shall employ deputy inspectors who are responsible to the chief inspector. The department may only appoint an individual who meets all of the following as a deputy inspector:

(a) At the time of appointment, has at least 5 years of experience in the inspection, construction, maintenance, repair, or operation of high pressure boilers as a mechanical engineer, steam operating engineer, boilermaker, or boiler inspector.

(b) Has passed the deputy inspector examination under section 927 or meets either of the following:

(i) Holds a license or a certificate of competency as an inspector of boilers for a state that has a standard of examination substantially equal to the standard of this state, as determined by the board.

(ii) Holds a license as an inspector of boilers issued by the National Board of Boiler and Pressure Vessel Inspectors.

Sec. 925. (1) The director shall issue a license as a special inspector under this section to an individual who meets the requirements of subsection (2) if the director receives a request from any of the following:

(a) A person that is authorized to insure against loss from explosion of boilers in this state.

(b) A city that has an authorized boiler inspection department.

(c) A person that operates boilers in this state, for which the owner or user maintains a regularly established inspection service that is under the supervision of 1 or more registered professional engineers who are regularly employed by the owner or user.

(2) The department shall not issue a license as a special inspector to an individual under subsection (1) unless he or she meets all of the following:

(a) Has passed the special inspector examination under section 927 or meets either of the following:

(i) Holds a license or a certificate of competency as an inspector of boilers for a state that has a standard of examination substantially equal to the standard of this state, as determined by the board.

(ii) Holds a license as an inspector of boilers issued by the National Board of Boiler and Pressure Vessel Inspectors.

(b) Is employed full-time by the insurer, city, or person described in subsection (1)(a) to (c) and his or her duties include making inspections of boilers that are, as applicable, insured by the insurer; used in the city and subject to inspection by the boiler inspection department; or used, or to be used, by the person that operates boilers in this state and not for resale.

(c) Any other applicable requirements of this section.

(3) A person or city described in subsection (1) shall apply for a license as a special inspector of boilers by filing, at least 30 days before the date of the special inspector examination under section 927, an application with the department and including with the application the appropriate fee established by the department. Payment of the fee entitles the individual who will hold the special inspector license to take the special inspector examination under section 927, twice if necessary, and if successful in passing either examination, to issuance of a license. An additional fee must accompany each subsequent application. A license issued to a special inspector may be renewed annually by submitting a renewal application and the applicable fee.

(4) A special inspector shall not receive a salary or any expenses from this state. The continuance of a special inspector's license is conditioned on the inspector continuing in the employ of an insurer, city, or person described in subsection (1)(a) to (c) and on the inspector maintaining the standards imposed under this article.

(5) A special inspector shall inspect all boilers insured, operated, or under the jurisdiction of his or her employer and, when inspected, the owner and user of a boiler is exempt from the payment to the department of the inspection fee established by the department under article 4.

Sec. 927. (1) All of the following apply to an examination for chief, deputy, or special inspectors, boiler operators, and stationary engineers:

(a) The examination shall be a written examination.

(b) The board shall administer the examination and ensure that at least 2 members of the board are present at all times during the examination.

(c) The examination shall only include questions that will aid in determining the fitness and competency of the applicant for the intended service, and may be the questions prepared by the National Board of Boiler and Pressure Vessel Inspectors.

(d) The board may adopt any examination it determines appropriate and may delegate any administrative functions relating to the conduct of the examination.

(2) If an individual fails to pass the examination described in this section, he or she may appeal to the board for another examination and the board shall give that examination within 90 days.

(3) The record of an individual's examination under this article is only accessible to the individual and his or her employer.

Sec. 929. (1) An individual in the employ of a licensee is not required to obtain a license.

(2) A person that is licensed under article 8 in the classification of hydronic heating and cooling and process piping may install, repair, alter, and remove a residential boiler that is installed in a residence and exempt from this article under section 915 without obtaining a license.

Sec. 931. (1) An individual may operate a boiler and associated auxiliaries without obtaining a registration under this article.

(2) An individual or his or her employer shall not use the terms "registered boiler operator", "certified boiler operator", "registered stationary engineer", "certified stationary engineer", "low pressure registered boiler operator", "low pressure certified boiler operator", "high pressure registered boiler operator", "high pressure certified boiler operator", "third-class registered stationary engineer", "third-class certified stationary engineer", "second-class registered stationary engineer", "second-class certified stationary engineer", "first-class registered stationary engineer", "first-class certified stationary engineer", or any other name, style, or description that indicates that the individual is registered unless the individual holds a registration under this article.

(3) An individual who participates in an approved apprenticeship program, a qualified technical training program, or a qualified training program may use the title "apprentice certified boiler operator" or "apprentice certified stationary engineer".

(4) An individual who is registered under this article shall only use 1 of the titles described in subsection (2) or the abbreviation "R.B.O.", "C.B.O.", "R.S.E.", or "C.S.E.".

(5) An individual who is applying for a registration under this article must be at least 18 years old and meet the requirements under article 2.

Sec. 933. For purposes of this article, boiler operator and stationary engineer registrations are classified as follows:

(a) Low pressure boiler operators, who operate low pressure boiler plants that have an aggregate of not more than 4,000 square feet of boiler heating surface.

(b) High pressure boiler operators, who operate boiler plants that have an aggregate of not more than 4,000 square feet of boiler heating surface or not more than 10 steam engine-turbine horsepower.

(c) Third-class stationary engineers, who operate boiler plants that have an aggregate of not more than 7,500 square feet of boiler heating surface or not more than 100 steam engine-turbine horsepower.

(d) Second-class stationary engineers, who operate boiler plants that have an aggregate of not more than 20,000 square feet of boiler heating surface or not more than 200 steam engine-turbine horsepower.

(e) First-class stationary engineers, who operate boiler plants that have an aggregate of 20,000 square feet or more of boiler heating surface or 200 steam engine-turbine horsepower or more.

Sec. 935. (1) The department by rule shall designate the course content for qualified technical education programs for the various categories and classifications of registration of boiler operators and stationary engineers under this article.

(2) The rules described in subsection (1) shall provide that the course content of qualified technical education programs for entry-level registrants include at least all of the following subject matter areas:

- (a) Basic functions, construction, and operation of all types of boilers.
- (b) The function of boiler appliances, accessories, and associated auxiliaries.
- (c) Materials used in boilers and the effect of temperature extremes on those materials.
- (d) The fuels used in boilers and fundamentals of combustion.
- (e) Basic electricity.
- (f) Plant operation and boiler maintenance.
- (g) Instrumentation and controls.
- (h) Fundamental mathematics and principles of the metric system.
- (i) General safety procedures.
- (j) Recognition of dangerous operation conditions.

(3) The department shall provide that the course content for categories and classifications of registrants under this article, other than entry-level registrants, includes subject matter similar to those described in subsection (2) in the degree of depth and difficulty appropriate for the category and class.

Sec. 937. (1) The director shall not issue a registration for a title described in section 931(2) unless the applicant meets the requirements under this section that are applicable to the classification of registration for which the applicant is seeking registration, as described in this section.

(2) An applicant for a low pressure boiler operator registration shall have at least 1 year of experience operating or maintaining low or high pressure boilers, steam prime movers, or associated auxiliaries.

(3) An applicant for a high pressure boiler operator registration shall have 1 or more of the following:

- (a) At least 2 years of experience in the operation of a high pressure boiler.
- (b) A low pressure boiler operator's registration and at least 1 year of experience in the operation of a low pressure boiler.
- (c) At least 1 year of either a qualified training program, a qualified technical education program, or an approved apprenticeship program.

(4) An applicant for a third-class stationary engineer registration shall meet 1 or more of the following requirements:

- (a) Is registered as a high pressure boiler operator and has at least 1 year of experience in the operation of a high pressure boiler.
- (b) Is registered as a low pressure boiler operator; has at least 1 year of experience in the operation of a low pressure boiler, and has at least 1 year of maintenance experience on high pressure boilers and associated auxiliaries.
- (c) Is registered as a high pressure boiler operator and has at least 1 year of boiler maintenance experience or at least 1 year as an apprentice in an approved training program in a high pressure boiler plant that has an aggregate heating surface of more than 4,000 square feet.
- (d) Has at least 3 years of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 4,000 square feet.
- (e) Has at least 1 year of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 4,000 square feet along with sufficient experience operating steam prime movers in excess of 10 horsepower for a combined total of at least 3 years of experience.
- (f) Has an associate degree in energy technology or a related field, as determined by the board, with a power engineering option from a 2-year college whose program is approved by the board and employment or cooperative education experience of at least 360 hours as a power engineer, boiler operator, or stationary engineer in a steam electric generation plant or a high pressure steam heating or process plant.

(5) An applicant for a second-class stationary engineer registration shall meet 1 or more of the following requirements:

(a) Is registered as a third-class stationary engineer and has at least 1 year of experience as a third-class stationary engineer.

(b) Has a bachelor's degree in engineering, engineering technology, heating/power technology, or energy technology from a college or university whose program is approved by the board and employment experience as an engineer in the engineering or research division of a steam electric power generating plant for at least 1 year.

(c) Has at least 4 years of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 7,500 square feet.

(d) Has at least 1 year of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 7,500 square feet along with sufficient experience operating steam prime movers in excess of 100 horsepower for a combined total of at least 4 years of experience.

(e) Has at least 1 year of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 7,500 square feet along with sufficient experience operating boilers in a high pressure boiler plant that have an aggregate heating surface of more than 4,000 square feet for a combined total of at least 4 years of experience.

(6) An applicant for a first-class stationary engineer registration shall meet 1 or more of the following requirements:

(a) Is registered as a second-class stationary engineer and has at least 2 years of experience as a second-class stationary engineer.

(b) Has at least 6 years of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 20,000 square feet.

(c) Has at least 2 years of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 20,000 square feet along with sufficient experience operating steam prime movers in excess of 200 horsepower for a combined total of at least 6 years of experience.

(d) Has at least 2 years of experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 20,000 square feet along with sufficient experience in the operation of boilers in a high pressure boiler plant that have an aggregate heating surface of more than 7,500 square feet of heating surface for a combined total of at least 6 years of experience.

(e) Completes a 4-year approved apprenticeship program or a 4-year qualified training program.

(f) Completes a 4-year program with a bachelor's degree from a college or university in engineering, engineering technology, heating/power technology, or energy technology whose program is approved by the board and which includes a hands-on power option from a 2-year community college program or the equivalent, as determined by the board, and not less than 1 year of employment, internship, or cooperative education experience in a steam electric generation plant or high pressure steam heating process plant.

Sec. 938. If a license or registration issued under this article is lost or destroyed, the department shall issue a new license or registration, without examination, if a fee of \$5.00 is paid and an application for a new license or registration is submitted, accompanied by a written statement made by the licensee or registrant that the license or registration was lost or destroyed.

Sec. 939. A person shall not install or alter a boiler without first obtaining a permit to install or alter the boiler from the boiler division of the department. All of the following apply for purposes of the permit requirement under this section:

(a) A person is not eligible for a permit if the person is not licensed under this article.

(b) An individual shall not perform work for which a permit is required unless he or she is licensed under this article, or he or she performs the work under the immediate supervision of an individual who is licensed under this article.

(c) A person shall obtain a permit by submitting an application to the department and including with the application a permit fee in an amount established by the department under article 4. A permit fee is not required for a boiler that is exempt from inspection under section 915.

Sec. 941. A person shall not repair a boiler without first obtaining a permit to repair the boiler from the boiler division of the department, unless the repair has been authorized by a licensed inspector pending issuance of the permit, or the repair is emergency maintenance performed by qualified welders regularly employed by a person that utilizes properly qualified welding procedures to weld on boilers owned and operated by the person. All of the following apply for purposes of the permit to repair requirement under this section:

(a) A person is not eligible for a permit if the person is not licensed to repair boilers under this article.

(b) An individual shall not perform work for which a permit is required unless he or she is licensed to repair boilers under this article, or he or she performs the work under the immediate supervision of an individual who is licensed to repair boilers under this article.

(c) A person shall obtain a permit by submitting an application to the department and including with the application a permit fee in an amount established by the department under article 4. However, a person is not required to pay a permit fee if the person utilizes properly qualified welding procedures and regularly employs qualified welders, registered with the boiler division of the department, to weld on boilers owned and operated by the person.

Sec. 943. A boiler used or proposed for use in this state shall be thoroughly inspected as to the boiler's construction, installation, and condition. All of the following apply for purposes of this inspection requirement:

(a) A power boiler, process boiler, or high pressure high temperature water boiler shall receive a certificate inspection annually and shall be externally inspected annually, while under pressure, within 6 months from the date of the certificate inspection.

(b) A low pressure steam or vapor heating boiler, hot water heating boiler, or hot water supply boiler shall receive a certificate inspection biennially.

(c) A grace period of 2 months beyond the periods described in subdivisions (a) and (b) may elapse between certificate inspections and the board may permit longer periods between certificate inspections.

(d) The chief inspector, a deputy inspector, or a special inspector shall perform the inspection of a boiler.

(e) If a hydrostatic test is considered necessary by the inspector, the owner or user of the boiler shall perform that test.

(f) A boiler, other than a cast iron sectional boiler, that is to be installed in this state shall be inspected during construction, as required by the applicable rules of the board, by an inspector who is licensed to inspect boilers in this state. If the boiler was constructed outside of the state, the boiler shall have been inspected by an inspector who holds a license as an inspector of boilers for a state that has a standard of examination substantially equal to that of this state or a license issued by the National Board of Boiler and Pressure Vessel Inspectors.

Sec. 945. (1) Within 30 days following a boiler certificate inspection required under this article, the chief inspector, a deputy inspector, or the person that employs a special inspector who performed the inspection shall file a report of the inspection with the chief inspector, on a form approved by the board. A form may be 1 of the forms recommended by the National Board of Boiler and Pressure Vessel Inspectors. A report of an external inspection is not required unless the external inspection discloses that a boiler is in a dangerous condition.

(2) If a report filed under subsection (1) indicates that a boiler complies with the rules of the board, the owner or user of the boiler shall pay a fee, in an amount established by the department under article 4, directly to the department and the department shall issue to that owner or user an inspection certificate that states the date of inspection and specifies the maximum pressure under which the owner or user may operate the boiler. An inspection certificate is valid for not more than 12 months for a power boiler, except that the certificate is valid during a grace period under section 943. An inspection certificate is valid for not more than 24 months for a low pressure steam or vapor heating boiler, hot water heating boiler, or hot water supply boiler, except that the certificate is valid during a grace period under section 943. An owner or user of a boiler shall post an inspection certificate under glass in the room in which the boiler is located. If the boiler is not located within the building, the owner or user shall post the certificate in a location that is convenient to the boiler that was inspected or in a place that is accessible to interested parties.

(3) An inspection certificate issued for an insured boiler by a special inspector is not valid after the boiler for which the certificate was issued ceases to be insured by a company authorized by this state to carry the insurance, if the insurance was terminated because of an unsafe condition or a violation of a rule of the board.

(4) The chief inspector may suspend an inspection certificate if, in his or her opinion, the boiler for which the certificate was issued cannot be operated without harm to the public safety, or if the boiler is found not to comply with the rules promulgated under this article. A suspension of an inspection certificate shall continue in effect until the boiler conforms to the rules of the board and the inspection certificate is reinstated.

Sec. 947. (1) This article does not apply to or in any city that has a population of 600,000 or more according to the most recent decennial census.

(2) This article shall not be construed to require a license or permit to repair a boiler located in a public utility or industrial plant that repairs and maintains its own boilers in accordance with accepted procedures and practices; or to require a license to replace a boiler located in a public utility or industrial plant described in this subsection with a similar unit.

ARTICLE 10
BUILDING OFFICIALS AND INSPECTORS

Sec. 1001. As used in this article:

(a) "Adopted", in reference to a rule or ordinance, means properly passed.

(b) "Advisory board" means each of the following:

(i) The building officials advisory board described in section 1005.

(ii) The barrier free design board created in section 5 of 1966 PA 1, MCL 125.1355.

(iii) The electrical administrative board described in section 705.

(iv) The board of mechanical rules described in section 805.

(v) The state plumbing board described in section 1105.

(c) "Approved" means reviewed and found acceptable by the commission.

(d) "Building official" means a construction code enforcement person working as an inspector, or plan reviewer, or actively engaged in the administration and enforcement of adopted building, electrical, mechanical, or plumbing codes, or any combination of these codes.

(e) "Commission" means the state construction code commission created in section 3a of the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1503a.

(f) "Education or training program" means formal or informal courses, seminars, correspondence programs, and other teaching aids approved by the commission for building officials, plan reviewers, and inspectors.

(g) "Fire protection system" means that term as defined in the Michigan building code.

(h) "Fire protection system inspector" means an individual who meets the qualifications established under this article and is responsible for the inspection of fire protection systems in accordance with the design and installation standards referenced by the Michigan building code.

(i) "Fire protection system plan reviewer" means an individual who meets the qualifications established under this article and is responsible for the review of fire protection system plans in accordance with the design and installation standards referenced by the Michigan building code.

Sec. 1003. As used in this article:

(a) "Inspector" means the individual who is responsible for the administration and enforcement of the construction of buildings, structures, or appurtenances under the state construction code.

(b) "Plan reviewer" means an individual who is engaged in the practice of examining construction documents for the purpose of determining compliance with applicable codes.

(c) "Practical construction experience" means experience in construction related trades or code administration and enforcement that the commission finds acceptable.

(d) "Provisional registration" means a building official, plan reviewer, or inspector who is registered subject to his or her completion of the amount of training, education, and experience required by the commission and the appropriate advisory board and described in section 1007(2).

(e) "Registered" means a building official, plan reviewer, inspector, fire protection system inspector, or fire protection system plan reviewer who is registered under this article.

Sec. 1005. (1) The state construction code commission created in section 3a of the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1503a, is designated as the board for purposes of this article.

(2) The building officials advisory board created in section 3 of former 1986 PA 54 shall continue in existence and shall continue to assist the commission in establishing standards and criteria for the training and qualifications of building officials. The building officials advisory board shall consist of 9 members, appointed by the commission as follows:

(a) Subject to subsection (3), a building official who enforces the building officials and code administrators basic building code.

(b) Subject to subsection (3), a building official who enforces the uniform building code.

(c) Subject to subsection (3), a building official who enforces the Michigan building code.

(d) Two members of the general public, 1 of whom is an individual with 1 or more disabilities.

(e) A registered architect or engineer.

(f) A building contractor.

(g) A building trades journey worker from a recognized apprentice course.

(h) A representative of small business.

(3) Of the 3 building officials appointed under subsection (2)(a), (b), and (c), 1 shall represent a county, 1 shall represent a city, and 1 shall represent a township or village.

(4) A member of the building officials advisory board shall serve a term of 3 years. A member serving on the building officials advisory board on the day immediately preceding the effective date of this act under former 1986 PA 54 shall continue to serve until the expiration of his or her term under former 1986 PA 54.

Sec. 1007. (1) The commission shall promote effective and uniform enforcement of construction codes in the state by improving the competence of building officials, plan reviewers, and inspectors.

(2) The advisory boards shall participate in and work with the commission to establish both of the following:

(a) Minimum training and experience standards, qualifications, and classifications of responsibility applicable to individuals who are engaged in the enforcement of codes and plan reviews.

(b) Minimum criteria for the approval of educational or training programs and tests.

(3) The commission may review and approve prepared educational and training programs, tests, and instructors. The examination and evaluation of training and educational programs, instructors, and tests shall include, but not be limited to:

(a) Construction code administration.

(b) Specialty aspects of code program parts, including all of the following:

(i) Prohibited appliances.

(ii) Premanufactured units.

(iii) Approval of materials, products, and methods.

(iv) Barrier free design.

(v) Energy conservation.

(c) Inspection techniques.

(d) Communication skills.

(e) Human and public relations.

(f) Report writing.

(g) Plans and specifications reading.

(h) Pertinent laws, ordinances, rules, and policies.

(i) Construction practices.

(4) If the commission finds that proposed educational or training courses or programs are acceptable under minimum requirements established under this section, the commission shall give approval to the courses or programs for a limited period of time and with any appropriate qualifications established by the commission.

(5) An advisory board shall recommend to the commission criteria for approval that relate to the advisory board's function and are required under subsection (2). The commission shall give consideration to any submission by an advisory board, but the commission has final responsibility and authority for the approval of training standards and programs.

Sec. 1009. (1) An individual shall apply for registration as a building official, plan reviewer, or inspector to the appropriate advisory board and to the commission. The applicant shall include the application fee established by the department under article 4.

(2) The commission may issue an initial registration for a period of more or less than 3 years for the purpose of allowing subsequent registration renewal to coincide with the code change cycle.

Sec. 1011. A registered building official, plan reviewer, or inspector shall renew his or her registration by September 17 of every third year. Reregistration or renewal of an initial registration or provisional registration shall be based on a determination by the appropriate advisory board of all of the following:

(a) The applicant's familiarity with any changes to the codes that the applicant seeks to be registered to enforce.

(b) The applicant's familiarity with other pertinent laws.

(c) Evidence satisfactory to the appropriate board that the applicant has attended local in-service training and education programs on an ongoing basis.

Sec. 1013. This article does not supersede the requirements applicable to inspectors included in article 7 or 11.

Sec. 1015. After written notice and an opportunity for a hearing, the commission may revoke or suspend the registration of any building official, plan reviewer, inspector, fire protection system inspector, or fire protection system plan reviewer if there is sufficient evidence showing that the registered individual has violated this article or rules promulgated under this article in the performance of his or her duties. In any proceeding under this section, an enforcing agency that employs the individual may appear as a party in interest. The commission shall conduct a hearing held under this section in the manner provided in the administrative procedures act of 1969.

Sec. 1017. (1) Performing instructional duties for educational purposes and providing contractual inspection and consulting services in construction code enforcement are not considered a conflict of interest.

(2) An inspector is not permitted to inspect his or her own work in a governmental subdivision.

(3) A governmental subdivision may establish additional requirements and restrictions in the selection and hiring of construction code enforcement officials, inspectors, and plan reviewers.

(4) This article shall not be construed to limit or restrict the type of internal administrative organization an enforcing agency may choose, or to limit or otherwise affect the authority of the enforcing agency to dismiss or suspend a building official, inspector, or plan reviewer at its discretion.

Sec. 1019. (1) If it receives a fee in an amount determined by the department under article 4, the commission, without requiring an examination, shall register or reregister, as a building official, inspector, plan reviewer, fire protection system inspector, or fire protection system plan reviewer, an applicant who is licensed or certified under the laws of another state. However, the commission shall register or reregister the applicant only if the commission determines that the licensing or certification requirements of the other state are equivalent to the requirements of this state for the purpose of establishing reciprocity privileges for building officials, inspectors, plan reviewers, fire protection system inspectors, and fire protection system plan reviewers.

(2) If it receives a fee in an amount determined by the department under article 4, the commission, without requiring an examination, shall register or reregister as a building official, inspector, or plan reviewer an applicant who is licensed or certified by a national organization as a building official, inspector, or plan reviewer. However, the commission shall register or reregister the applicant only if the commission determines that the licensing or certification requirements of the national organization are equivalent to the requirements of this state for the purpose of establishing reciprocity privileges for building officials, inspectors, and plan reviewers.

(3) If it receives a fee in an amount determined by the department under article 4, the commission, without requiring an examination, shall register or reregister as a fire protection system inspector an applicant who meets all the following requirements:

(a) Is certified by the National Fire Protection Association or the International Code Council as a fire inspector I and fire inspector II.

(b) Attests to the department in his or her application that he or she understands the Michigan building code.

(4) If it receives a fee in an amount determined by the department under article 4, the commission, without requiring an examination, shall register or reregister as a fire protection system plan reviewer an applicant who meets all the following requirements:

(a) Is certified by the National Fire Protection Association or the International Code Council as a fire inspector I and a plans reviewer.

(b) Attests to the department in his or her application that he or she understands the Michigan building code.

Sec. 1021. (1) Subject to subsection (2), an individual shall not be appointed or employed as a building official, inspector, or plan reviewer by an enforcing agency, unless the individual is registered under this article and the rules promulgated under this article.

(2) An individual who becomes employed by a governmental subdivision as a building official, plan reviewer, or inspector, if not already registered, shall within 30 days of employment apply to the commission for provisional registration. On payment of the fee established by the department under article 4, the commission shall provisionally register the individual.

(3) If the commission determines that an applicant for registration does not qualify for registration, the commission shall notify the applicant of that fact in writing. The applicant may appeal an adverse decision under the administrative procedures act of 1969.

(4) Notwithstanding any other provision of this article, employment by an enforcing agency is not a requirement for registration or provisional registration as a building official, plan reviewer, or inspector under this article.

Sec. 1022. In addition to the requirements of section 1021, a governmental subdivision shall only appoint as an electrical inspector an individual who is licensed as an electrical journeyman or master electrician under article 7.

Sec. 1023. (1) The commission shall charge fees for registration of building officials, inspectors, and plan reviewers and for the examination and evaluation of training and educational programs and courses.

(2) An applicant for registration shall pay a registration fee in the amount of \$25.00 to the commission for each year the registration covers.

(3) A fee established by the department for the examination and evaluation of training and educational programs and courses shall bear a reasonable relation to the cost for those conducting those training and educational programs and courses.

(4) The commission shall deposit any fees received under this section in the state construction code fund created in section 22 of the Stille-DeRossett-Hale single state construction code act, MCL 125.1522.

ARTICLE 11

PLUMBERS AND PLUMBING CONTRACTORS

Sec. 1101. As used in this article:

(a) "Apprentice plumber" means an individual who is registered under this article as an apprentice.

(b) "Board" means the state plumbing board described in section 1105.

(c) "Building sewer" means that part of the drainage system that extends from the end of the building drain and conveys its discharge to a public sewer, private sewer, individual sewage disposal system, or other point of disposal.

(d) "Domestic water treatment and filtering equipment" means residential water treatment and filtering equipment used in 1-family and 2-family dwellings.

(e) "Journey plumber" means an individual, other than a plumbing contractor or master plumber, who is qualified to engage in the practical installation of plumbing and who is licensed as a journey plumber.

Sec. 1103. As used in this article:

(a) "Master plumber" means an individual who possesses the necessary skills and qualifications to plan and supervise the installation of plumbing and who is licensed as a master plumber.

(b) "Minor repair" means a repair that involves only the clearance of stoppages, repair, or replacement of a faucet or valve or reinstallation of that same plumbing fixture and does not involve making any modifications to the plumbing system, or residential domestic water treatment and filtering equipment. Minor repair does not include any of the following:

(i) The repair or replacement of a backflow preventer and air admittance valves.

(ii) A repair or replacement that is only a part of a larger or major renovation or repair.

(c) "Plumbing" means the practice, materials, and fixtures, in or adjacent to a building, structure, or premises, used in the installation, maintenance, extension, or alteration of all piping, fixtures, plumbing appliances, or plumbing appurtenances, as defined in the state construction code, in connection with the sanitary drainage or storm drainage facilities, plumbing venting systems, medical gas systems, backflow preventers, and public or private water supply systems.

(d) "Plumbing contractor" means a licensed master plumber or a person who employs a licensed master plumber full-time to directly supervise the installation of plumbing as his or her representative engaged in the business of plumbing for a fixed sum, price, fee percentage, valuable consideration, or other compensation and who is licensed as a plumbing contractor.

(e) "Restitution" means the requirement that a person that is found to be in violation of this article, a rule promulgated under this article, or an order issued under this article has caused monetary damage to another and that the violator is required to compensate the injured party in an amount equal to the amount of the monetary damage caused.

(f) "Water service pipe" means the pipe from the water main or other source of potable water supply to the water distributing system of the building served.

Sec. 1105. (1) The state plumbing board created in section 13 of former 2002 PA 733 shall continue in existence and is designated as the board for purposes of this article.

(2) The board is composed of the following members:

(a) The director or his or her authorized representative, the director of the department of environmental quality or his or her authorized representative, and a member or employee of the drinking water and radiologic protection division of the department of environmental quality, selected by the director of the department of environmental quality. Board members described in this subdivision shall serve as voting ex officio members.

(b) Five members who are appointed by the governor for 3-year terms and who are United States citizens and residents of the state, as follows:

(i) Two members who are licensed plumbing contractors who hold a master's license and have 10 years of experience as plumbing contractors.

(ii) One member who is a licensed master plumber who secures permits and has 10 years of experience as a master plumber.

(iii) One member who is a licensed journey plumber and has 10 years of experience as a journey plumber.

(iv) One member who represents the general public.

(3) The board shall recommend to the state construction code commission the promulgation of rules the board considers necessary for the safe design, construction, installation, alteration, and inspection of plumbing. The board may also recommend to the state construction code commission, after testing and evaluation, that the commission issue a certificate of acceptability under the state construction code for a material, product, method of manufacturing, or method of construction or installation of plumbing equipment.

Sec. 1107. (1) A person shall not engage in or work at the business of a plumbing contractor, master plumber, journey plumber, or apprentice plumber unless that person is licensed or registered under this article. Except as provided in subsections (2) and (3), only a licensed master or journey plumber shall perform plumbing. A licensed master plumber shall be in charge and responsible for proper installation and conformance with the state construction code. Plumbing shall not be performed unless the plumbing contractor who is responsible has obtained a permit from the state or a governmental subdivision authorized to issue permits.

(2) A license under this article is not required to perform any of the following work:

(a) Minor repair work.

(b) The installation of a building sewer or water service pipe, if a permit is secured from the responsible enforcing agency and inspections are performed. The installations shall comply with the applicable parts of the state construction code.

(c) The installation of domestic water treatment and filtering equipment that requires modification to an existing cold water distribution supply and associated waste piping in buildings if a permit is secured, required inspections performed, and the installation complies with the applicable parts of the state construction code. If the enforcing agency determines a violation exists, the responsible installer must correct it.

(d) The installation by a homeowner of his or her own plumbing, building sewer, or private sewer in his or her single-family dwelling if a permit is secured.

(e) The installation of medical gas piping, if the installation is performed under the supervision of a licensed plumbing contractor.

(3) This article does not prevent a person from performing any activities within the scope of licensure or registration under any other licensure or registration act or applicable codes for that licensed or registered professional adopted pursuant to law.

Sec. 1109. An individual who is applying for a plumbing contractor, master, or journey license is eligible for examination if he or she complies with article 4 and establishes to the satisfaction of the board that he or she meets any applicable experience requirement or an equivalent of that experience requirement for the particular class of licensure, by use of a notarized statement from current and past employers and master plumbers.

Sec. 1111. (1) To qualify for a plumbing contractor license, the applicant must either hold a master plumber license or employ the holder of a master plumber license as his or her representative.

(2) Only an individual who is a sole proprietor, a partner in a partnership, an officer of a corporation, or a member of a limited liability company may apply for licensure as a plumbing contractor.

(3) The department shall issue a plumbing contractor's license to an individual who does all of the following:

(a) Files a completed application on a form provided by the department that includes the following information:

(i) A statement listing the complete address of each place where the applicant has resided and has been engaged in business during the last 5 years including the length of time at each residence and types of businesses engaged in or employments.

(ii) The name of the individual who is applying for the license, the name of the business, and the location of the place for which the license is desired.

(iii) The name of the business owner, president of the corporation, or a member or manager of the limited liability company and the name of the individual who is applying, if different from the name of the business owner, president, or member or manager and his or her title.

(iv) The name, residence address, and license number of the licensed master plumber who represents the person.

(b) Pays the applicable examination fee established under section 207 and passes an examination provided for by the board and the department.

(c) Pays the license fee described in article 4.

(4) A licensed plumbing contractor may operate 1 or more branch offices in this state under the same business if a licensed master plumber is in charge and has the responsibility of supervision at each branch.

(5) If a license is issued to a plumbing contractor represented by a master plumber, the plumbing contractor and the master plumber are jointly and severally responsible for exercising the supervision or control of the plumbing operations necessary to secure full compliance with this article, the rules promulgated under this article, and all other laws and rules related to the installation of plumbing.

(6) Both a person, unless the person is a plumbing contractor, and the master plumber are jointly and severally responsible for exercising the supervision or control of the plumbing operations necessary to secure full compliance with this article, the rules promulgated under this article, and all other laws and rules related to the installation of plumbing.

(7) If a plumbing contractor is represented by a licensed master plumber who ceases to represent the plumbing contractor, the plumbing contractor has 30 days after the date the master plumber no longer represents the plumbing contractor in which to designate another licensed master plumber as the representative of the plumbing contractor. The plumbing contractor shall notify the department in writing of the change.

(8) A licensed plumbing contractor shall display in a conspicuous place at the entrance of the place of business a sign that states the name of the business and the name of the licensed master plumber and license number in letters that are at least 3 inches high.

Sec. 1113. (1) The department shall issue a master plumber's license to an individual who is at least 18 years old and who does all of the following:

(a) Files a completed application on a form provided by the department.

(b) Pays the applicable examination fee established under section 207 and passes an examination provided for by the board and the department.

(c) Pays the initial or renewal license fee required under section 1121.

(d) Holds a journey plumber license issued under this article or former 2002 PA 733 and has gained 4,000 hours of experience in work as a journey plumber over a period of not less than 2 years immediately preceding the date of his or her application.

(2) As a condition of renewal of a master plumber's license, the master plumber must demonstrate the successful completion of a course, approved by the board, concerning any update or change in the state construction code within 12 months after the update or change in that code. This requirement applies only during or after those years that the state construction code is updated or changed.

(3) A licensed master plumber shall represent only 1 plumbing contractor at any given time.

(4) A master plumber who is also a plumbing contractor is only responsible for payment of the plumbing contractor initial or renewal license fee and is not responsible for also paying the master plumber initial or renewal license fee under section 1121(7).

(5) If a master plumber who represents a plumbing contractor ceases to represent the plumbing contractor, the master plumber shall notify the department in writing within 30 days after the date his or her representation of the contractor ceases.

Sec. 1115. (1) The department shall issue a journey plumber's license to an individual who is at least 18 years of age and who does all of the following:

(a) Files a completed application on a form provided by the department.

(b) Pays the applicable examination fee established under section 207 and passes an examination provided for by the board and the department.

(c) Pays the license fee described in article 4.

(d) Meets either of the following:

(i) Has at least 6,000 hours of experience gained over a period of at least 3 years as an apprentice plumber in the practical installation of plumbing under the supervision of a master plumber.

(ii) While serving in the armed forces, served as a plumber or in an equivalent job classification; was honorably discharged from that military service in the 1-year period preceding the date the license application is filed; and has, and provides with his or her application an affidavit signed by a commanding officer, supervisor, or military superior with direct knowledge of the applicant's service that states that he or she has, at least 6,000 hours of entry-level experience in and basic knowledge of each of the following:

(A) The terminology of the plumbing trade and the ability to make practical calculations.

(B) Knowledge related to drainage systems.

- (C) Knowledge related to plumbing fixtures.
- (D) Knowledge related to water and backflow protection.
- (E) Knowledge related to storm and special wastewater disposal.
- (F) Knowledge related to testing and inspections of plumbing.
- (G) Knowledge related to venting.

(2) If an applicant who otherwise meets the requirements of subsection (1)(d)(ii) has not attained 6,000 hours of entry-level experience or does not have basic knowledge in each of the areas described in subsection (1)(d)(ii)(A) to (G), he or she may provide with his or her application an affidavit signed by a commanding officer, supervisor, or military superior with direct knowledge of the applicant's service that states the amount of experience the applicant has attained and of which of the areas described in subsection (1)(d)(ii)(A) to (G) the applicant has basic knowledge, and the department may in its discretion grant the applicant credit toward the 6,000-hour experience requirement of subsection (1)(d)(i) based on the applicant's experience.

(3) As a condition of renewal of a journey plumber's license, the journey plumber must demonstrate the successful completion of a course, approved by the board, concerning any update or change in the state construction code within 12 months after the update or change in that code. This requirement applies only during or after those years that the state construction code is updated or changed.

Sec. 1117. (1) An individual who is employed as an apprentice plumber shall register with the department on a form provided by the department within 30 days after employment.

(2) An apprentice registration is invalid after 5 years from the date of initial registration unless the registered apprentice applies for and takes the examination for journey license. The registration of an apprentice who has applied for a journey license remains valid after the 5-year period until either a license is issued or the apprentice fails to take the examination.

(3) On request by the apprentice to the board, the board may grant an extension of an apprentice registration for a period of time as determined appropriate by the board.

(4) An apprentice plumber shall, as his or her principal occupation, be engaged in learning and assisting in the installation of plumbing under the direct on-site jobsite supervision of a journey or master plumber.

Sec. 1119. (1) An individual who is licensed as a master plumber may request that the master plumber license be retained by the department as an inactive license for a period that does not exceed 3 years.

(2) The department shall issue an inactive master plumber license as an active license if requested by the licensee, the licensee pays the relicensure fee described in article 4 at the time of the request, the licensee holds a journey plumber license, and the licensee has renewed his or her journey plumber license each year since the license has been inactive.

(3) An individual shall not simultaneously hold an active master plumber license and journey plumber license. An individual who holds an active master plumber license may work as a journey plumber.

Sec. 1121. (1) A license or apprentice registration issued under this article must be renewed not more than 60 days after the renewal date. It is the responsibility of a licensee or registrant to renew a license or registration. The department shall send a renewal application to the last known address of a licensee or registrant on file with the department. Every holder of a license or registration issued under this article shall promptly notify the department of a change in his or her business or residence address. The failure of a licensee or registrant to notify the department of a change of address does not extend the expiration date of a license or registration. The department may issue licenses for up to 3 years in duration.

(2) The annual fees for initial licensure, apprentice plumber registration, or renewal of a license and registration issued under this article are as follows:

- (a) Journey plumber..... \$ 40.00.
- (b) Apprentice plumber..... \$ 15.00.

(3) The holder of a license or apprentice registration that is not renewed within 60 days of expiration may be relicensed only by applying to the board for relicensure and paying the annual renewal fee and the following relicensure fee:

- (a) Journey plumber..... \$ 50.00.
- (b) Apprentice plumber..... \$ 20.00.

(4) An individual who is requesting renewal of a license under subsection (3) within 3 years after the license is expired is not subject to reexamination for the license but is required to pay the relicensure fee and the annual renewal fee for each year the license was not renewed. An individual who fails to renew a license for more than 3 consecutive

years is required to meet the experience and other requirements and take an examination for the class of license requested.

(5) Examination fees under this article are as follows:

- (a) Plumbing contractor..... \$100.00.
- (b) Master plumber \$100.00.
- (c) Journey plumber \$100.00.

(6) The department shall issue an initial master plumber or plumbing contractor license for a period of up to 3 years. A master plumber or plumbing contractor license is renewable for periods of 3 years. If an individual is applying for an initial license or relicensure at a time other than between April 30 and June 30 of the year in which the department issues renewal licenses, the department shall compute and charge the license fee on a yearly prorated basis beginning the year of application until the last year of the 3-year license period.

(7) Subject to section 1113(4), the initial and renewal fees for a master plumber or plumbing contractor license issued under this article are as follows:

- (a) Plumbing contractor..... \$300.00.
- (b) Master plumber \$300.00.

(8) The holder of a plumbing contractor or master plumber license that is not renewed within 60 days of expiration may be relicensed only by applying to the board and paying the renewal fee and a \$100.00 relicensure fee.

Sec. 1123. An individual who is licensed under this article and employed or acting as a plumbing inspector shall not engage in, or be directly or indirectly connected with, the plumbing business, including, but not limited to, the furnishing of labor, materials, or appliances for the construction, alteration, or maintenance of a building or the preparation of plans or specifications for the construction, alteration, or maintenance of a building, and shall not engage in any work that conflicts with his or her official duties.

Sec. 1125. (1) A governmental subdivision may not exempt itself from the licensing requirements of this article and may not engage in or require local licensing.

(2) Except as otherwise provided in subsections (3) and (6) and section 1107, the state or a governmental subdivision shall issue a plumbing permit only to a licensed plumbing contractor. The state or a governmental subdivision shall require the plumbing contractor to record his or her current plumbing contractor license number on the permit application. A licensed plumbing contractor shall designate 1 or more licensed master plumbers who are employed full-time who directly supervise the installation of plumbing to obtain permits using the license number of the plumbing contractor. The master plumber's license number must also be recorded on the permit application.

(3) In those instances where business or industrial procedure requires the regular employment of a full-time licensed master plumber, a licensed master plumber is authorized to secure permits for installations of plumbing on the premises owned or occupied and used by the business provided the licensed master plumber physically supervises the plumbing work and represents only the business or industrial employer. The employer and the licensed master plumber shall sign an annual affidavit, furnished by the department, and the affidavit shall be provided to and kept on file by the department. The department shall determine the filing fee for an affidavit. A new affidavit must be filed before permits will be issued if the licensed master plumber's employment is terminated. The affidavit shall contain the following:

- (a) The name and business address of the person employing the licensed master plumber.
- (b) The name, address, and license number of the licensed master plumber.
- (c) A statement to the effect that the employer and licensed master plumber will comply with the provisions of the act regulating installation of plumbing in this state.

(4) A plumbing contractor who is licensed under this article who performs work in a governmental subdivision shall register his or her license with the enforcing agency that issues permits and provides inspection services if required by the enforcing agency. The registration is valid until the expiration date of the plumbing contractor license. Each governmental subdivision in this state must grant registration to a plumbing contractor who is licensed under this article if a fee, in an amount determined by the governmental subdivision and that does not exceed \$15.00, is paid to the governmental subdivision.

(5) Master plumbers, journey plumbers, and apprentice plumbers shall carry their licenses and a form of identification that includes his or her photograph. If requested by an enforcing agency, a licensee or apprentice registrant shall present his or her license or registration and a form of identification that includes his or her photograph.

(6) If the plumbing, reconstruction, alteration, or repair of pipes, tanks, or fixtures is performed without compensation by an individual who is licensed under this article for or on behalf of a charitable organization, the owner of the property on which the work is performed may obtain the permit required under subsection (2). This subsection applies only to the reconstruction, renovation, or remodeling of a 1-family to 4-family dwelling.

Sec. 1127. The board shall review the license of an individual if it receives notice from the department that the individual has violated the asbestos abatement contractors licensing act, 1986 PA 135, MCL 338.3101 to 338.3319, and may suspend or revoke that license for a knowing violation of that act.

Sec. 1129. Any provision of this article that is inconsistent or in conflict with the Stille-DeRossett-Hale single state construction code act is superseded by that act to the extent of the inconsistency.

Sec. 1131. If a license or registration issued under this article is lost or destroyed, the department shall issue a new license or registration, without examination, if a fee of \$30.00 is paid and an application for a new license or registration is submitted, accompanied by a written statement made by the licensee or registrant that the license or registration was lost or destroyed.

Sec. 1133. This article shall not be construed to relieve from or lessen the responsibility or liability of any person owning, operating, controlling, or installing plumbing for damages to individuals or property caused by any defect in the plumbing, and this state shall not be held as assuming that responsibility or liability by reason of the inspection or examination of that plumbing, the issuance of a certificate of approval, or the grant of a license or certificate under this article.

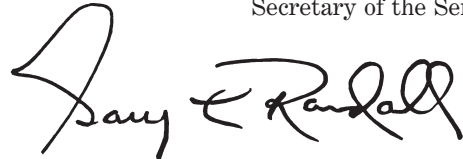
Enacting section 1. The following acts and parts of acts are repealed:

- (a) The electrical administrative act, 1956 PA 217, MCL 338.881 to 338.892.
- (b) The Forbes mechanical contractors act, 1984 PA 192, MCL 338.971 to 338.988.
- (c) The building officials and inspectors registration act, 1986 PA 54, MCL 338.2301 to 338.2313.
- (d) The state plumbing act, 2002 PA 733, MCL 338.3511 to 338.3569.
- (e) The boiler act of 1965, 1965 PA 290, MCL 408.751 to 408.776.

Enacting section 2. This act takes effect 90 days after the date it is enacted into law.



Secretary of the Senate



Clerk of the House of Representatives

Approved

.....
Governor