Legislative Analysis



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INTERIOR DESIGNERS: LICENSURE

House Bill 4770 without amendment

Sponsor: Rep. Bill Huizenga

House Bill 4771 (Substitute H-2) House Bill 4772 (Substitute H-1) Sponsor: Rep. Andy Meisner Committee: Commerce

Complete to 10-11-07

A SUMMARY OF HOUSE BILLS 4770-4772 AS REPORTED FROM COMMITEE

These three bills concern the licensure and duties of interior designers:

House Bill 4770 would specify that *construction documents* for new construction or specified modifications of buildings and structures would have to be prepared by architects or professional engineers, but *interior design documents* could be prepared by interior designers. (MCL 125.1505a)

<u>House Bill 4771</u> would amend the State Licensure Fee Act to establish a \$50 application processing fee and a \$70 annual fee for licensed interior designers. (MCL 338.2219)

<u>House Bill 4772</u> would amend the Occupational Code to establish a new licensure system for interior designers. A new Board of Interior Design would be created within the Department of Labor and Economic Growth. An interior design license would have a three-year term. An examination would be required for the issuance of a license (with certain exceptions during the first year of the new system). Continuing competency would be required for renewal of a license. (MCL 339.303a and 339.601)

House Bills 4770 and 4771 are both tie-barred to House Bill 4772, and House Bill 4772 is tie-barred to both of the others, so that none of the bills could go into effect unless all were enacted into law. More detail is provided below about House bills 4470 and 4472.

Definitions. The following definitions are common to the bills:

- "Interior designer" would mean "a person performing interior design services."
- "Interior design services" would mean "services in connection with the design of interior spaces, including the preparation of design documents, relative to finishes, systems, furniture, furnishings, fixtures, equipment, lighting outlets and switching, and non-load-bearing partitions that do not materially affect the building mechanical, structural, electrical or fire safety systems."

- "Materially affect" would mean activity that is either or both of the following:
 - Has a substantial and negative impact on the health, safety, and welfare of the occupants of the interior space after installation of the finishes, systems, furniture, furnishings, fixtures, equipment, lighting, and interior building partitions based upon placement or material composition.
 - Is incompatible with the applicable building code or fire safety code to such a degree that more than a minor modification of the interior design documents is needed to correct the incompatibility.

House Bill 4470

House Bill 4770 would amend Section 2a of the Stille-DeRossett-Hale Single State Construction Code Act in the following ways:

- Provide that when required by codes, the construction documents for new construction and various kinds of modifications of buildings and structures would have to be prepared by or under the supervision of a registered design professional licensed under Article 20 of the Occupational Code (i.e., architects and professional engineers). Construction documents would have to include the name and address of the architect or professional engineer and bear that person's original signature, seal, or stamp and the date.
- In contrast, interior design documents (defined as documents reflecting interior design services, as defined in the bill (see above)) could be prepared by an interior designer. Documents signed by an interior designer would have to bear that person's seal.

House Bill 4472

House Bill 4472 would add a new Article 28 to the Occupational Code establishing a new licensure system for interior designers. An exemption from licensure for persons engaged in interior design found in Section 601(6)(a) of the code and a provision setting forth what services interior designers are permitted to perform set forth in Section 601(10) would be deleted.

Board of Interior Design. A new Board of Interior Design would be created within the Department of Labor and Economic Growth. The terms of the board members and their qualifications would be prescribed by Section 303 of the code.

<u>Use of title "Licensed Interior Designer."</u> With an exception described below concerning alternative private certification, a person could not use the term or title "licensed interior designer" or "interior designer" or any other term or title connoting licensure under Article 28 unless the person was in fact so licensed.

Individuals certified by private organizations. An individual "certified or otherwise qualified or approved by a private organization" would be free to use a term or title copyrighted or otherwise used with legal protection by the certifying organization so long as the use did not connote licensure under Article 28.

License required for offering or providing services. Only interior designers licensed under Article 28 could provide or offer interior design services unless exempted from the licensure requirements.

Exemptions. The following persons would be exempt from the licensure requirements of Article 28 so long as they did not hold themselves out as interior designers:

- <u>Persons with other licenses</u>. A person licensed in another field engaging in interior design services within his or her scope of practice would be exempt.
- Retail employees. A retail employee providing interior design services on the premises of a retail establishment or to further a retail sale would be exempt.
- On own property. A person engaging in interior design services on property he or she owns or leases would be exempt.
- Residential interior design. A person providing interior design services for residential purposes would be exempt.
- Supervised persons gaining experience for license. A person engaging in interior design services under the supervision of one or more licensees solely for the purpose of obtaining the experience required for a license would be exempt.

Application process. An application for licensure would need to submit an application to the department on a form supplied by the department, pay the appropriate application and per-year license fees, and meet applicable examination requirements.

Identity of licensee; term. Only individuals could be licensed, and a license would have a term of three years.

Special licensure rules for first year. For the first year following the effective date of the bill, the department would issue a license to an individual who submitted proof by affidavit of six years of combined education and experience in providing interior design services, with at least two of those six years being practical experience. In addition, persons on a list compiled under former Section 601a would be eligible for a license if he or she applied within the first year and paid the appropriate fee.

Examination. Unless applying under the special rules applicable during the first year only, applicants would have to meet the requirements for sitting for the most current examination offered by the National Council for Interior Design Qualification (and, presumably, pass the examination). The board and director, by promulgation of a rule, could adopt a different version of that council's examination or a different examination considered by the board to be equivalent.

The department would issue a license to an individual from another jurisdiction, state, or country if it determines that the other jurisdiction has substantially similar requirements for licensure and would provide reciprocity to Michigan licensees.

Standards of Conduct. The director, in consultation with the board and by adoption of a rule, would establish standards of conduct for licensed interior designers.

Continuing Professional Competence. Beginning with the license renewal cycle after the effective date of rules promulgated under the bill's provisions, the director would have to require a demonstration of continuing professional competence for a renewal of a license.

<u>Seal</u>. Upon being licensed, an individual would have to obtain a seal authorized by the board bearing the licensee's name and a legend indicating "licensed interior designer." A plan, report, or specification issued by a licensee would have to be sealed when filed with a public authority.

Violations. A person would be subject to the penalties in Article 6 of the code if he or she committed violations of the code or its rules, or if he or she did one or more of the following: (1) presented or attempted to use the license or seal of another; (2) used a term protected by Article 28 without being licensed under Article 28; or (3) submitted a permit, plan, report, or specification to a state or local public official without the licensee's seal when a seal was required.

Repealer. The bill would repeal a section of the code enacted in 1998 that created the Advisory Subcommittee on Interior Design.

FISCAL IMPACT:

The creation of a board of interior design is expected to cost the Department of Labor and Economic Growth \$50,000 annually, based on the cost of existing boards within its Licensing Division. House Bill 4771 will increase State of Michigan revenue by an indeterminate amount.

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[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.