

SUBSTITUTE FOR  
HOUSE BILL NO. 4846

A bill to amend 1984 PA 192, entitled  
"Forbes mechanical contractors act,"  
by amending section 10 (MCL 338.980), as amended by 2004 PA 271.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 10. (1) ~~The~~ **SUBJECT TO SUBSECTION (8), THE** examination  
2 fee for a contractor's license is ~~\$25.00~~ **\$100.00**. Except as  
3 otherwise provided in subsections (2), ~~and~~ (4), **AND (8)**, the  
4 initial and per-year fee for the issuance of a contractor's license  
5 is ~~\$75.00~~ **\$100.00**.

6           (2) An initial or renewal contractor's license issued under  
7 this act expires on August 31 every third year ~~after August 31,~~  
8 ~~2001~~ and is renewable not later than October 31 upon application  
9 and payment of the license fee. For a person applying for an  
10 initial or reinstatement contractor's license at a time other than

1 between August 31 and October 31 of the year in which the  
2 department issues renewal licenses, the department shall compute  
3 and charge the license fee on a yearly pro rata basis beginning in  
4 the year of the application until the last year of the 3-year  
5 license cycle. All licenses not renewed are void and may be  
6 reinstated only upon application for reinstatement and the payment  
7 of the license fee. A person who renews his or her license within 3  
8 years after the license is voided pursuant to this section is not  
9 subject to reexamination for the license.

10 (3) Beginning ~~on the effective date of the amendatory act that~~  
11 ~~added subsection (5)~~ **JULY 23, 2004**, the department shall issue an  
12 initial or renewal license not later than 90 days after the  
13 applicant files a completed application. Receipt of the application  
14 is considered the date the application is received by any agency or  
15 department of the state of Michigan. If the application is  
16 considered incomplete by the department, the department shall  
17 notify the applicant in writing, or make the information  
18 electronically available, within 30 days after receipt of the  
19 incomplete application, describing the deficiency and requesting  
20 the additional information. The 90-day period is tolled upon  
21 notification by the department of a deficiency until the date the  
22 requested information is received by the department. The  
23 determination of the completeness of an application does not  
24 operate as an approval of the application for the license and does  
25 not confer eligibility of an applicant determined otherwise  
26 ineligible for issuance of a license.

27 (4) If the department fails to issue or deny a license within

1 the time required by this section, the department shall return the  
2 license fee and shall reduce the license fee for the applicant's  
3 next renewal application, if any, by 15%. The failure to issue a  
4 license within the time required under this section does not allow  
5 the department to otherwise delay the processing of the  
6 application, and that application, upon completion, shall be placed  
7 in sequence with other completed applications received at that same  
8 time. The department shall not discriminate against an applicant in  
9 the processing of the application based upon the fact that the  
10 license fee was refunded or discounted under this subsection.

11 (5) Beginning October 1, 2005, the director of the department  
12 shall submit a report by December 1 of each year to the standing  
13 committees and appropriations subcommittees of the senate and house  
14 of representatives concerned with occupational issues. The director  
15 shall include all of the following information in the report  
16 concerning the preceding fiscal year:

17 (a) The number of initial and renewal applications the  
18 department received and completed within the 90-day time period  
19 described in subsection (3).

20 (b) The number of applications denied.

21 (c) The number of applicants not issued a license within the  
22 90-day time period and the amount of money returned to licensees  
23 under subsection (4).

24 (6) All fees and money received by the department for the  
25 licensing of persons under this act, and any other income received  
26 under this act, shall be paid into the state construction code fund  
27 created by section 22 of the Stille-DeRossett-Hale single state

1 construction code act, 1972 PA 230, MCL 125.1522.

2 (7) The department shall annually submit to the members of the  
3 legislature a comprehensive report detailing the expenditure of  
4 additional money resulting from the 1989 amendatory act that  
5 increased the fees contained in this section.

6 (8) BY JULY 1 OF EACH FISCAL YEAR, THE DEPARTMENT SHALL  
7 MULTIPLY THE AMOUNT OF THE FEE IMPOSED UNDER THIS SECTION BY A  
8 PERCENTAGE AMOUNT EQUAL TO THE AVERAGE PERCENTAGE WAGE AND SALARY  
9 INCREASE GRANTED TO CLASSIFIED CIVIL SERVICE EMPLOYEES EMPLOYED BY  
10 THE DEPARTMENT FOR THE FISCAL YEAR BEGINNING THE FOLLOWING OCTOBER  
11 1.

12 (9) IF THE AMOUNT CALCULATED UNDER SUBSECTION (8) IS LESS THAN  
13 10% OF THE FEES IMPOSED UNDER THIS SECTION, THE DEPARTMENT SHALL  
14 NOT INCREASE THE FEES.

15 (10) IF THE CUMULATIVE AMOUNT CALCULATED UNDER SUBSECTION (8)  
16 SINCE THE MOST RECENT FEE INCREASE EQUALS AT LEAST 10% OF THE FEES  
17 IMPOSED UNDER THIS SECTION, THE DEPARTMENT MAY INCREASE THE AMOUNT  
18 OF FEES IMPOSED UNDER THIS SECTION BY THE CUMULATIVE AMOUNT  
19 CALCULATED UNDER SUBSECTION (8).

20 (11) IF THE DEPARTMENT INCREASES FEES UNDER SUBSECTION (8),  
21 THE INCREASE SHALL BE EFFECTIVE FOR THE FISCAL YEAR BEGINNING THE  
22 FOLLOWING OCTOBER 1. THE INCREASED FEES SHALL BE USED BY THE  
23 DEPARTMENT AS THE BASIS FOR CALCULATING FEE INCREASES IN SUBSEQUENT  
24 FISCAL YEARS, AS PROVIDED IN SUBSECTIONS (8) AND (10).

25 (12) BY JULY 1 OF EACH YEAR, THE DEPARTMENT SHALL PROVIDE TO  
26 THE STATE BUDGET OFFICE, SENATE, HOUSE OF REPRESENTATIVES, AND THE  
27 SENATE AND HOUSE FISCAL AGENCIES A COMPLETE SCHEDULE OF FEES TO BE

1 COLLECTED UNDER THIS SECTION, THE AMOUNT CALCULATED UNDER  
2 SUBSECTION (8), AND THE AMOUNT OF THE FEE INCREASE UNDER SUBSECTION  
3 (10). THE LEGISLATURE HAS 90 DAYS AFTER RECEIVING NOTICE FROM THE  
4 DEPARTMENT IN WHICH TO ADOPT A RESOLUTION REJECTING THE PROPOSED  
5 INCREASE IN FEES UNDER SUBSECTION (10).

6 (13) ~~(8)~~—As used in this section, "completed application"  
7 means an application complete on its face and submitted with any  
8 applicable licensing fees as well as any other information,  
9 records, approval, security, or similar item required by law or  
10 rule from a local unit of government, a federal agency, or a  
11 private entity but not from another department or agency of the  
12 state of Michigan.