

**SUBSTITUTE FOR
HOUSE BILL NO. 5822**

A bill to amend 1984 PA 192, entitled
"Forbes mechanical contractors act,"
by amending section 10 (MCL 338.980), as amended by 2008 PA 372.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10. (1) Subject to subsection (8), the examination fee
2 for a contractor's license is \$25.00 if paid after September 30,
3 ~~2012-2015~~ and \$100.00 if paid on or before September 30, ~~2012-~~
4 **2015**. Except as otherwise provided in subsections (2) and (4), the
5 initial and per-year fee for the issuance of a contractor's license
6 is \$75.00 if paid after September 30, ~~2012-2015~~ and \$100.00 if paid
7 on or before September 30, ~~2012-2015~~.

8 (2) An initial or renewal contractor's license issued under
9 this act expires on August 31 every third year and is renewable **BY**

1 **FILING AN APPLICATION AND PAYING THE LICENSE FEE** not later than
 2 October 31. ~~upon application and payment of the license fee. For a~~
 3 ~~person~~ **IF AN INDIVIDUAL IS** applying for an initial or reinstatement
 4 contractor's license at a time other than between August 31 and
 5 October 31 of the year in which the department issues renewal
 6 licenses, the department shall compute and charge the license fee
 7 on a yearly pro rata basis beginning in the year of the application
 8 until the last year of the 3-year license cycle. ~~All licenses~~ **A**
 9 **LICENSE THAT IS** not renewed ~~are~~ **IS** void and may be reinstated only
 10 ~~upon application~~ **BY APPLYING** for reinstatement and ~~the payment of~~
 11 **PAYING** the license fee. ~~A person~~ **AN INDIVIDUAL** who renews his or
 12 her license within 3 years after the license is voided ~~pursuant to~~
 13 **UNDER** this section is not subject to reexamination for the license.
 14 (3) ~~Beginning July 23, 2004, the~~ **THE** department shall issue an
 15 initial or renewal license not later than 90 days after the
 16 applicant files a completed application. ~~Receipt of~~ **THE DATE OF**
 17 **FILING OF** the application is considered the date the application is
 18 received by any agency or department of ~~the~~ **THIS** state. ~~of~~
 19 ~~Michigan.~~ If the application is considered incomplete by the
 20 department, the department shall notify the applicant in writing,
 21 or make the information electronically available **TO THE APPLICANT,**
 22 within 30 days after ~~receipt~~ **THE DATE OF FILING** of the incomplete
 23 application, describing the deficiency and requesting the
 24 additional information. The 90-day period is tolled ~~upon~~ **FROM THE**
 25 **DATE OF** notification by the department of a deficiency until the
 26 date the requested information is received by the department. The
 27 determination of the completeness of an application does not

1 operate as an approval of the application for the license and does
2 not confer eligibility of an applicant determined otherwise
3 ineligible for issuance of a license.

4 (4) If the department fails to issue or deny a license within
5 the time required ~~by~~ **UNDER** this section, the department shall
6 return the license fee and shall reduce the license fee for the
7 applicant's next renewal application, if any, by 15%. The failure
8 to issue a license within the time required under this section does
9 not allow the department to otherwise delay the processing of the
10 application, and **THE DEPARTMENT SHALL PLACE** that application, ~~upon~~
11 ~~completion, shall be placed~~ **WHEN COMPLETED**, in sequence with other
12 completed applications received at that same time. The department
13 shall not discriminate against an applicant in the processing of
14 the application based ~~upon~~ **ON** the fact that the license fee was
15 refunded or discounted under this subsection.

16 (5) ~~Beginning October 1, 2005, the~~ **THE** director of the
17 department shall submit a report by December 1 of each year to the
18 standing committees and appropriations subcommittees of the senate
19 and house of representatives concerned with occupational issues.
20 The director shall include all of the following information in the
21 report concerning the preceding fiscal year:

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

25 (b) The number of applications denied **BY THE DEPARTMENT**.

26 (c) The number of applicants **THAT WERE** not issued a license
27 within the 90-day time period and the amount of money returned to

House Bill No. 5822 (H-1) as amended September 19, 2012
 1 licensees under subsection (4).

2 ~~(6) All fees and money received by the department for the~~
 3 ~~licensing of persons under this act,~~ **THE DEPARTMENT SHALL PAY ALL**
 4 **LICENSING FEES, EXAMINATION FEES,** and ~~any~~ other income received
 5 under this act ~~, shall be paid~~ into the state construction code
 6 fund created ~~by~~ **IN** section 22 of the Stille-DeRossett-Hale single
 7 state construction code act, 1972 PA 230, MCL 125.1522.

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

**[(8) THE DEPARTMENT SHALL WAIVE ANY FEE OTHERWISE REQUIRED UNDER
 THIS SECTION IF THE PERSON RESPONSIBLE FOR PAYING THE FEE MEETS ANY OF
 THE FOLLOWING:**

**(A) IF THE PERSON IS AN INDIVIDUAL, HE OR SHE IS, AND PROVIDES
 PROOF SATISFACTORY TO THE DEPARTMENT THAT HE OR SHE IS, AN HONORABLY
 DISCHARGED VETERAN OF THE ARMED FORCES OF THE UNITED STATES.**

**(B) IF THE PERSON IS A NONPROFIT CORPORATION ORGANIZED ON A
 MEMBERSHIP OR DIRECTORSHIP BASIS, A MAJORITY OF THE MEMBERS OR DIRECTORS,
 AS APPLICABLE, ARE, AND THE PERSON PROVIDES PROOF SATISFACTORY TO THE
 DEPARTMENT THAT A MAJORITY OF THE MEMBERS OR DIRECTORS ARE, HONORABLY
 DISCHARGED VETERANS OF THE ARMED FORCES OF THE UNITED STATES.**

**(C) IF THE PERSON IS NOT AN INDIVIDUAL OR A NONPROFIT CORPORATION
 DESCRIBED IN SUBDIVISION (B), A MAJORITY OF THE SHARES OR OTHER
 OWNERSHIP INTERESTS OF THE PERSON ARE, AND THE PERSON PROVIDES PROOF
 SATISFACTORY TO THE DEPARTMENT THAT THOSE INTERESTS ARE, HELD BY 1 OR
 MORE HONORABLY DISCHARGED VETERANS OF THE ARMED FORCES OF THE UNITED
 STATES.**

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