

SENATE BILL No. 983

June 11, 2014, Introduced by Senator BOOHER and referred to the Committee on Regulatory Reform.

A bill to amend 1980 PA 299, entitled "Occupational code," by amending sections 103, 316, and 2404b (MCL 339.103, 339.316, and 339.2404b), section 103 as amended by 1994 PA 257, section 316 as amended by 1998 PA 90, and section 2404b as amended by 2013 PA 169, and by adding section 604a and article 14A; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 103. (1) **"ARMED FORCES" MEANS THAT TERM AS DEFINED IN**
2 **SECTION 2 OF THE VETERAN RIGHT TO EMPLOYMENT SERVICES ACT, 1994 PA**
3 **39, MCL 35.1092.**

4 (2) ~~(1)~~—"Board" means, in each article which deals with a
5 specific occupation, the agency created in that article composed
6 principally of members of the regulated occupation. In all other

1 contexts, board means each agency created under this act.

2 (3) ~~(2)~~-"Censure" means an expression of disapproval of a
3 licensee's or registrant's professional conduct. ~~, which~~ **THE TERM**
4 **INCLUDES AN EXPRESSION OF DISAPPROVAL OF PROFESSIONAL** conduct **THAT**
5 is not necessarily a violation of this act or a rule promulgated or
6 an order issued under this act.

7 (4) ~~(3)~~-"Competence" means a degree of expertise ~~which~~ **THAT**
8 enables a person to engage in an occupation at a level ~~which~~ **THAT**
9 meets or exceeds minimal standards of acceptable practice for the
10 occupation.

11 (5) ~~(4)~~-"Complaint" means an oral or written grievance.

12 (6) ~~(5)~~-"Controlled substance" means a ~~drug, substance, or~~
13 ~~immediate precursor as set forth in section 7212, 7214, 7216, 7218,~~
14 ~~or 7220 of the public health code, Act No. 368 of the Public Acts~~
15 ~~of 1978, being sections 333.7212, 333.7214, 333.7216, 333.7218, and~~
16 ~~333.7220 of the Michigan Compiled Laws, not excluded pursuant to~~
17 ~~section 7227 of Act No. 368 of the Public Acts of 1978, being~~
18 ~~section 333.7227 of the Michigan Compiled Laws.~~ **THAT TERM AS DEFINED**
19 **IN SECTION 7104 OF THE PUBLIC HEALTH CODE, 1978 PA 368, MCL**
20 **333.7104.**

21 Sec. 316. (1) Unless otherwise provided in an article, a board
22 and the department shall develop an examination or test required by
23 an article. The board and the department in developing an
24 examination or test may adopt an examination or test prepared by
25 another agency if the board and the department determine that the
26 examination or test serves as a basis for determining whether a
27 ~~person~~ **AN INDIVIDUAL** has the knowledge and skills to perform an

1 occupation with competence.

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

6 ~~—— (3) A board and the department, in determining the form the
7 recommended examination or test shall take, shall give special
8 emphasis to an alternative form of testing which permits a person
9 to demonstrate a special qualification a person may have which is
10 not evident under a written examination, but which is related to an
11 occupation. The alternative form of testing shall be structured to
12 give weight to a person's experience, noninstitutional training,
13 and innate skills and shall be flexible enough to enable a person
14 with a mental or physical disability to demonstrate that the person
15 has the requisite knowledge and skills.~~

16 **SEC. 604A. IF THE PARTIES IN A CONTESTED CASE UNDER ARTICLE 5**
17 **AGREE TO ANY FACT INVOLVED IN THE CONTROVERSY BY STIPULATION OR**
18 **THERE IS A FINDING OF FACT AND CONCLUSION OF LAW IN AN ACTION UNDER**
19 **ARTICLE 5 THAT A PERSON HAS VIOLATED THIS ACT, THE HEARINGS**
20 **EXAMINER SHALL ASSESS COSTS RELATED TO THE INVESTIGATION OF THE**
21 **VIOLATION AND COSTS RELATED TO THE PROSECUTION OF THE ACTION. THE**
22 **COSTS RELATED TO THE INVESTIGATION AND PROSECUTION INCLUDE, BUT ARE**
23 **NOT LIMITED TO, SALARIES AND BENEFITS OF PERSONNEL, COSTS RELATED**
24 **TO THE TIME SPENT BY THE ATTORNEY GENERAL'S OFFICE AND OTHER**
25 **PERSONNEL WORKING ON THE ACTION, AND ANY OTHER EXPENSES INCURRED BY**
26 **THE DEPARTMENT FOR THE ACTION.**

ARTICLE 14A

SEC. 1421. AS USED IN THIS ARTICLE:

(A) "BODYGUARD" MEANS AN INDIVIDUAL WHO WORKS FOR A FEE OR OTHER CONSIDERATION AND WHOSE PRIMARY RESPONSIBILITY IS TO PROTECT ANOTHER INDIVIDUAL FROM PHYSICAL HARM FROM ANOTHER PERSON, WHETHER THE INDIVIDUAL UNDER PROTECTION IS ON-PREMISES OR IS IN TRANSIT FROM 1 LOCATION TO ANOTHER.

(B) "DISQUALIFYING MISDEMEANOR" MEANS A MISDEMEANOR THAT INVOLVES ANY OF THE FOLLOWING:

(i) DISHONESTY OR FRAUD.

(ii) UNAUTHORIZED DIVULGING OR SELLING OF INFORMATION OR EVIDENCE.

(iii) IMPERSONATION OF A LAW ENFORCEMENT OFFICER OR EMPLOYEE OF THE UNITED STATES, THIS STATE, OR A POLITICAL SUBDIVISION OF THIS STATE.

(iv) ILLEGALLY USING, CARRYING, OR POSSESSING A DANGEROUS WEAPON.

(v) TWO OR MORE ALCOHOL-RELATED OFFENSES.

(vi) A CONTROLLED SUBSTANCE UNDER THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.1101 TO 333.25211.

(vii) AN ASSAULT.

(C) "PATROL SERVICE" MEANS ROVING ON FOOT OR IN A VEHICLE, TO PROVIDE SECURITY FOR PERSONS OR PROPERTY BY OBSERVATION, DIRECT OR INDIRECT INTERVENTION, OR BOTH.

(D) "PRINCIPAL LICENSE HOLDER" MEANS AN INDIVIDUAL DESIGNATED UNDER SECTION 1431.

(E) "PRIVATE SECURITY BUSINESS AND SECURITY ALARM ACT" MEANS

1 THE PRIVATE SECURITY BUSINESS AND SECURITY ALARM ACT, 1968 PA 330,
2 MCL 338.1051 TO 338.1092.

3 (F) "SECURITY ALARM SYSTEM" MEANS THAT TERM AS DEFINED IN
4 SECTION 2 OF THE SECURITY ALARM SYSTEMS ACT, MCL 338.2182.

5 (G) "SECURITY ALARM SYSTEM PROVIDER" MEANS A SYSTEM PROVIDER
6 AS THAT TERM IS DEFINED IN SECTION 2 OF THE SECURITY ALARM SYSTEMS
7 ACT, MCL 338.2182.

8 (H) "SECURITY ALARM SYSTEMS ACT" MEANS THE SECURITY ALARM
9 SYSTEMS ACT, 2012 PA 580, MCL 338.2181 TO 338.2187.

10 (I) "SECURITY CONSULTANT SERVICES" MEANS DOING ANY OF THE
11 FOLLOWING FOR ANOTHER PERSON FOR A FEE OR OTHER CONSIDERATION:

12 (i) DIRECT OR INDIRECT AID IN THE EVALUATION, DEVELOPMENT, OR
13 IMPLEMENTATION OF SECURITY POLICIES, SECURITY PROCEDURES, OR
14 SECURITY ALARM SYSTEMS.

15 (ii) PROVIDING SECURITY MANAGEMENT SERVICES.

16 (iii) HIRING, TRAINING, OR DEPLOYMENT OF SECURITY GUARDS.

17 (J) "SECURITY GUARD" MEANS AN INDIVIDUAL WHO PROVIDES
18 PROTECTION FOR PERSONS OR PROPERTY ON THE PREMISES OF ANOTHER AS AN
19 AGENT OR EMPLOYEE OF A SECURITY GUARD AGENCY. THE TERM INCLUDES A
20 BODYGUARD OR AN INDIVIDUAL ENGAGED IN PATROL SERVICE.

21 (K) "SECURITY GUARD AGENCY" MEANS A PERSON, OTHER THAN A
22 PERSON DESCRIBED IN SECTION 1423(1) OR (3)(B), THAT IS ENGAGED IN
23 THE BUSINESS OF ARRANGING FOR OR PROVIDING ANY OF THE FOLLOWING:

24 (i) SECURITY GUARDS.

25 (ii) SECURITY CONSULTANT SERVICES.

26 (iii) BODYGUARDS.

27 (iv) PATROL SERVICE.

1 (v) SECURITY MANAGEMENT SERVICES.

2 (l) "SECURITY MANAGEMENT SERVICES" MEANS PROVIDING, BY CONTRACT
3 OR AGREEMENT, SECURITY-RELATED EVALUATION OR OVERSIGHT OR
4 SUPERVISION OR TRAINING OF SECURITY GUARDS FOR DEPLOYMENT. SECURITY
5 MANAGEMENT SERVICES DO NOT INCLUDE ACTING AS A SECURITY
6 ADMINISTRATOR WHO IS EMPLOYED UNDER A BONA FIDE EMPLOYER-EMPLOYEE
7 RELATIONSHIP TO OVERSEE SECURITY OPERATIONS FOR ANOTHER.

8 SEC. 1423. (1) THIS ARTICLE DOES NOT APPLY TO ANY OF THE
9 FOLLOWING:

10 (A) A SECURITY ALARM SYSTEMS PROVIDER THAT HAS FILED A
11 REGISTRATION STATEMENT UNDER THE SECURITY ALARM SYSTEMS ACT.

12 (B) A PRIVATE COLLEGE SECURITY FORCE OR PRIVATE SECURITY
13 POLICE FORCE THAT IS SUBJECT TO THE PRIVATE SECURITY BUSINESS AND
14 SECURITY ALARM ACT.

15 (2) ALL OF THE FOLLOWING APPLY TO THE LICENSING UNDER THIS
16 ARTICLE OF AN INDIVIDUAL CURRENTLY EMPLOYED AS A LAW ENFORCEMENT
17 OFFICER:

18 (A) IF A LAW ENFORCEMENT OFFICER DESCRIBED IN SUBDIVISION (B)
19 OR (C) HAS A LICENSE AS A SECURITY GUARD OR SECURITY GUARD AGENCY
20 UNDER THE PRIVATE SECURITY BUSINESS AND SECURITY ALARM ACT, HE OR
21 SHE MAY RETAIN THAT LICENSE. HOWEVER, HE OR SHE MUST RENEW THAT
22 LICENSE UNDER THIS ARTICLE.

23 (B) EXCEPT AS PROVIDED IN SUBDIVISION (A), IF AN INDIVIDUAL IS
24 EMPLOYED AS A LAW ENFORCEMENT OFFICER BY THE FEDERAL GOVERNMENT OR
25 ANOTHER STATE, TERRITORY, OR COUNTRY, OR IS ENGAGED IN DOMESTIC OR
26 FOREIGN INTELLIGENCE GATHERING ON BEHALF OF THE FEDERAL GOVERNMENT
27 OR ANOTHER COUNTRY, HE OR SHE IS NOT ELIGIBLE FOR A NEW LICENSE OR

1 TO RENEW A LICENSE UNDER THIS ARTICLE.

2 (C) EXCEPT AS PROVIDED IN SUBDIVISION (A), IF AN INDIVIDUAL IS
3 EMPLOYED AS A LAW ENFORCEMENT OFFICER, AS THAT TERM IS DEFINED IN
4 SECTION 2 OF THE COMMISSION OF LAW ENFORCEMENT STANDARDS ACT, 1965
5 PA 203, MCL 28.602, HE OR SHE IS NOT ELIGIBLE FOR A NEW OR RENEWAL
6 LICENSE UNDER THIS ARTICLE UNLESS HE OR SHE DOES ALL OF THE
7 FOLLOWING:

8 (i) IN A FORM ACCEPTABLE TO THE DEPARTMENT, PROVIDES THE
9 DEPARTMENT WRITTEN PERMISSION FROM HIS OR HER EMPLOYER TO PROVIDE
10 SERVICES REGULATED UNDER THIS ARTICLE, EXECUTED BY THE CHIEF OF
11 POLICE, COUNTY SHERIFF, OR OTHER OFFICIAL WHO HAS EXECUTIVE
12 AUTHORITY AND RESPONSIBILITY OVER LAW ENFORCEMENT MATTERS FOR HIS
13 OR HER EMPLOYER.

14 (ii) PROVIDES THE DEPARTMENT DOCUMENTATION ACCEPTABLE TO THE
15 DEPARTMENT OF ANY WRITTEN POLICIES OR PROCEDURES PUBLISHED BY HIS
16 OR HER EMPLOYER THAT ADDRESS OFF-DUTY EMPLOYMENT; PLACE ANY
17 LIMITATION ON OR PROHIBITION OF OFF-DUTY USE OF INVESTIGATIVE TOOLS
18 OR EQUIPMENT PROVIDED BY THE EMPLOYER EXCLUSIVELY FOR LAW
19 ENFORCEMENT; OR INDICATE THAT OFF-DUTY EMPLOYMENT PROVIDING
20 SERVICES UNDER THIS ARTICLE IS NOT CONSIDERED IN CONFLICT WITH
21 EMPLOYMENT AS A LAW ENFORCEMENT OFFICER.

22 (3) ALL OF THE FOLLOWING APPLY TO A PERSON THAT IS LICENSED AS
23 A PROFESSIONAL INVESTIGATOR UNDER THE PROFESSIONAL INVESTIGATOR
24 LICENSURE ACT, 1965 PA 285, MCL 338.821 TO 338.851:

25 (A) EXCEPT AS PROVIDED IN SUBDIVISION (B), THE PERSON'S
26 LICENSE UNDER THAT ACT DOES NOT ALLOW THAT PERSON TO PERFORM THE
27 SERVICES OF A SECURITY GUARD BUSINESS WITHOUT A SECURITY AGENCY

1 LICENSE UNDER THIS ARTICLE.

2 (B) THE PERSON MAY PERFORM SERVICES AS A BODYGUARD WITHOUT A
3 LICENSE UNDER THIS ARTICLE.

4 (4) IF A LICENSE TO CONDUCT BUSINESS AS A SECURITY GUARD OR
5 SECURITY GUARD AGENCY IS ISSUED TO A PERSON, THAT LICENSEE IS NOT
6 REQUIRED TO OBTAIN ANY OTHER LICENSE TO CONDUCT THE BUSINESS AS A
7 SECURITY GUARD OR SECURITY GUARD AGENCY FROM A MUNICIPALITY OR
8 POLITICAL SUBDIVISION OF THIS STATE.

9 SEC. 1425. (1) THE DEPARTMENT SHALL ISSUE A LICENSE TO CONDUCT
10 BUSINESS AS A SECURITY GUARD AGENCY IF IT IS SATISFIED THAT THE
11 APPLICANT, IF THE APPLICANT IS AN INDIVIDUAL, OR IF IT IS SATISFIED
12 THAT THE PRINCIPAL LICENSE HOLDER, IF THE APPLICANT IS NOT AN
13 INDIVIDUAL, MEETS ALL OF THE FOLLOWING QUALIFICATIONS:

14 (A) IS AT LEAST 21 YEARS OF AGE.

15 (B) GRADUATED FROM HIGH SCHOOL OR PASSED THE GENERAL
16 EDUCATIONAL DEVELOPMENT (GED) TEST OR ANOTHER GRADUATE EQUIVALENCY
17 EXAMINATION APPROVED BY THE DEPARTMENT.

18 (C) IS OF GOOD MORAL CHARACTER.

19 (D) HAS NOT BEEN CONVICTED OF EITHER OF THE FOLLOWING:

20 (i) A FELONY.

21 (ii) WITHIN THE 5-YEAR PERIOD PRECEDING THE DATE OF
22 APPLICATION, A DISQUALIFYING MISDEMEANOR.

23 (E) IF HE OR SHE SERVED IN THE ARMED FORCES, WAS SEPARATED
24 FROM THAT SERVICE, AND PROVIDES A FORM DD214 OR DD215 OR ANY OTHER
25 FORM SATISFACTORY TO THE DEPARTMENT THAT DEMONSTRATES THAT HE OR
26 SHE WAS SEPARATED FROM THAT SERVICE, WITH AN HONORABLE CHARACTER OF
27 SERVICE OR UNDER HONORABLE CONDITIONS (GENERAL) CHARACTER OF

1 SERVICE.

2 (F) MEETS ANY OF THE FOLLOWING:

3 (i) WAS LAWFULLY ENGAGED IN BUSINESS AS A SECURITY GUARD AGENCY
4 IN ANOTHER STATE FOR A PERIOD OF AT LEAST 3 YEARS.

5 (ii) WAS LAWFULLY ENGAGED AS A SECURITY GUARD FOR A SECURITY
6 GUARD AGENCY FOR AT LEAST 4 YEARS AND HAS AT LEAST 4 YEARS OF
7 EXPERIENCE SUPERVISING SECURITY GUARDS.

8 (iii) WAS LAWFULLY ENGAGED IN LAW ENFORCEMENT EMPLOYMENT AS A
9 CERTIFIED POLICE OFFICER ON A FULL-TIME BASIS FOR AT LEAST 4 YEARS
10 FOR A CITY, COUNTY, OR STATE GOVERNMENT OR FOR THE UNITED STATES
11 GOVERNMENT.

12 (iv) IS A GRADUATE WITH A BACCALAUREATE DEGREE OR ITS
13 EQUIVALENT IN THE FIELD OF POLICE ADMINISTRATION, CRIMINAL JUSTICE,
14 OR INDUSTRIAL SECURITY FROM AN ACCREDITED COLLEGE OR UNIVERSITY;
15 AND FOR A PERIOD OF 2 YEARS ON A FULL-TIME BASIS WAS AN EMPLOYEE OF
16 A SECURITY GUARD AGENCY OR WAS ENGAGED ON HIS OR HER OWN ACCOUNT AS
17 A SECURITY ADMINISTRATOR OR LOSS PREVENTION MANAGER IN PRIVATE
18 BUSINESS.

19 (v) SERVED IN THE ARMED FORCES; WHILE SERVING IN THE ARMED
20 FORCES, ACTED AS A MILITARY POLICE OFFICER OR IN AN EQUIVALENT JOB
21 CLASSIFICATION FOR AT LEAST 2 YEARS; WAS SEPARATED FROM THAT
22 SERVICE, AND PROVIDES A FORM DD214 OR DD215 OR ANY OTHER FORM
23 SATISFACTORY TO THE DEPARTMENT THAT DEMONSTRATES THAT HE OR SHE WAS
24 SEPARATED FROM THAT SERVICE, WITH AN HONORABLE CHARACTER OF SERVICE
25 OR UNDER HONORABLE CONDITIONS (GENERAL) CHARACTER OF SERVICE; AND
26 HAS, AND PROVIDES WITH HIS OR HER APPLICATION AN AFFIDAVIT SIGNED
27 BY A COMMANDING OFFICER, SUPERVISOR, OR MILITARY SUPERIOR WITH

1 DIRECT KNOWLEDGE OF THE APPLICANT'S SERVICE THAT HE OR SHE HAS,
2 ENTRY-LEVEL EXPERIENCE IN OR BASIC KNOWLEDGE OF EACH OF THE
3 FOLLOWING:

4 (A) ENFORCING RULES, REGULATIONS, AND GUIDELINES.

5 (B) PROVIDING SECURITY AND PHYSICAL PROTECTION.

6 (C) AREA AND SITE SECURITY OPERATIONS.

7 (D) OVERSEEING PRISONERS AND CORRECTIONAL FACILITIES.

8 (E) RECONNAISSANCE AND SURVEILLANCE.

9 (G) HAS PROVIDED THE DEPARTMENT THE BOND OR INSURANCE REQUIRED
10 UNDER SUBSECTION (3) OR (4).

11 (H) HAS NOT BEEN ADJUDGED INSANE, UNLESS HE OR SHE HAS BEEN
12 ADJUDGED RESTORED TO SANITY BY COURT ORDER.

13 (I) IS NOT SUBJECT TO ANY OUTSTANDING WARRANTS FOR HIS OR HER
14 ARREST.

15 (J) HAS PROVIDED THE DEPARTMENT WITH THE APPROVAL OF THE
16 PROSECUTING ATTORNEY AND THE SHERIFF OF THE COUNTY IN THIS STATE IN
17 WHICH AN OFFICE, INCLUDING A BRANCH OFFICE, OF THE APPLICANT IS OR
18 WILL BE LOCATED. IF THE OFFICE IS OR WILL BE LOCATED IN A CITY,
19 TOWNSHIP, OR VILLAGE, THE APPLICANT MAY OBTAIN THE APPROVAL OF THE
20 CHIEF OF POLICE INSTEAD OF THE SHERIFF. SIMILAR APPROVAL IS
21 REQUIRED FOR EACH BRANCH OFFICE.

22 (2) AN APPLICATION FOR A LICENSE AS A SECURITY GUARD AGENCY
23 UNDER THIS ARTICLE MUST CONTAIN AT LEAST ALL OF THE FOLLOWING:

24 (A) THE NAME AND ADDRESS OF THE APPLICANT'S PRINCIPAL PLACE OF
25 BUSINESS IN THIS STATE.

26 (B) IF THE APPLICANT IS NOT THE SECURITY GUARD AGENCY, THE
27 SECURITY GUARD AGENCY'S NAME AND PRINCIPAL PLACE OF BUSINESS IN

1 THIS STATE.

2 (C) THE ADDRESS AND LOCATION OF ANY BRANCH OFFICES IN THIS
3 STATE AT WHICH THE SECURITY GUARD AGENCY CONDUCTS OR WILL CONDUCT
4 BUSINESS.

5 (D) IF APPLICABLE, THE NAME OF THE INDIVIDUAL DESIGNATED BY
6 THE APPLICANT OR LICENSEE AS THE PRINCIPAL LICENSE HOLDER OF THE
7 SECURITY GUARD AGENCY.

8 (3) THE DEPARTMENT SHALL NOT ISSUE A LICENSE UNDER THIS
9 ARTICLE IF THE APPLICANT DOES NOT COMPLY WITH SUBSECTION (4) OR
10 PROVIDE A BOND TO THE DEPARTMENT THAT MEETS ALL OF THE FOLLOWING:

11 (A) IS IN THE PRINCIPAL AMOUNT OF \$25,000.00.

12 (B) IS PAYABLE TO THE DEPARTMENT FOR THE BENEFIT OF THE PEOPLE
13 OF THIS STATE AND ANY PERSON INJURED BY THE WILLFUL, MALICIOUS, AND
14 WRONGFUL ACT OF THE LICENSEE OR ANY OF THE LICENSEE'S AGENTS OR
15 EMPLOYEES.

16 (C) IS CONDITIONED ON THE FAITHFUL AND HONEST CONDUCT OF THE
17 BUSINESS BY THE APPLICANT.

18 (D) IS APPROVED BY THE DEPARTMENT.

19 (4) IN LIEU OF A BOND REQUIRED UNDER SUBSECTION (3), AN
20 APPLICANT MAY FURNISH A POLICY OF INSURANCE ISSUED BY AN INSURER
21 AUTHORIZED TO DO BUSINESS IN THIS STATE THAT NAMES THE LICENSEE AND
22 THE STATE AS COINSURED IN THE AMOUNT OF \$25,000.00 FOR PROPERTY
23 DAMAGE, \$100,000.00 FOR INJURY TO OR DEATH OF 1 INDIVIDUAL, AND
24 \$200,000.00 FOR INJURIES TO OR DEATHS OF MORE THAN 1 INDIVIDUAL
25 ARISING OUT OF THE OPERATION OF THE LICENSED ACTIVITY.

26 (5) A PERSON MAY BRING AN ACTION ON A BOND DESCRIBED IN
27 SUBSECTION (3) OR AN INSURANCE POLICY DESCRIBED IN SUBSECTION (4)

1 IN THAT PERSON'S OWN NAME TO RECOVER DAMAGES SUFFERED BY REASON OF
2 A WRONGFUL ACT OF THE LICENSEE OR AN AGENT OR EMPLOYEE OF THE
3 LICENSEE.

4 (6) IF A LICENSEE OPENS A BRANCH OFFICE, THE LICENSEE MUST
5 FIRST OBTAIN A LICENSE FOR THAT BRANCH AND POST THAT LICENSE IN A
6 CONSPICUOUS PLACE IN THE BRANCH OFFICE.

7 SEC. 1427. A LICENSE ISSUED UNDER THIS ARTICLE IS VALID FOR 2
8 YEARS.

9 SEC. 1429. (1) A LICENSEE SHALL POST ITS LICENSE IN A
10 CONSPICUOUS PLACE IN THE LICENSEE'S OFFICE.

11 (2) A LICENSEE SHALL NOTIFY THE DEPARTMENT IN WRITING OF ANY
12 NAME OR ADDRESS CHANGE WITHIN 30 DAYS AFTER THE DATE OF THE CHANGE.

13 SEC. 1431. (1) A LICENSEE THAT IS NOT AN INDIVIDUAL, OR AN
14 APPLICANT THAT IS APPLYING FOR A LICENSE ON BEHALF OF A PERSON THAT
15 IS NOT AN INDIVIDUAL, AS APPLICABLE, SHALL DESIGNATE AN INDIVIDUAL
16 AS THE PRINCIPAL LICENSE HOLDER OF THAT LICENSEE.

17 (2) AN INDIVIDUAL DESIGNATED AS A LICENSEE'S PRINCIPAL LICENSE
18 HOLDER IS AUTHORIZED TO ACT ON BEHALF OF THE LICENSEE FOR PURPOSES
19 OF THIS ARTICLE.

20 (3) IF ITS PRINCIPAL LICENSE HOLDER IS NO LONGER AUTHORIZED TO
21 ACT IN THAT CAPACITY ON THE LICENSEE'S BEHALF, OR IS NO LONGER
22 AVAILABLE TO ACT IN THAT CAPACITY FOR ANY REASON, THE LICENSEE
23 SHALL DESIGNATE A DIFFERENT INDIVIDUAL, WHO MEETS THE REQUIREMENTS
24 OF SECTION 1425(1), AS ITS PRINCIPAL LICENSE HOLDER AND SHALL DO
25 ALL OF THE FOLLOWING WITHIN 10 DAYS AFTER IT MAKES THAT
26 DESIGNATION:

27 (A) PROVIDE WRITTEN NOTICE TO THE DEPARTMENT THAT IT HAS

1 DESIGNATED A DIFFERENT INDIVIDUAL AS ITS PRINCIPAL LICENSE HOLDER.

2 (B) PROVIDE TO THE DEPARTMENT THE NAME OF THAT INDIVIDUAL AND
3 ANY OTHER INFORMATION ABOUT THAT INDIVIDUAL THAT IS REASONABLY
4 REQUIRED BY THE DEPARTMENT.

5 (4) IF A LICENSEE DESIGNATING A DIFFERENT INDIVIDUAL AS ITS
6 PRINCIPAL LICENSE HOLDER DOES NOT COMPLY WITH SUBSECTION (3), OR
7 THE DEPARTMENT DOES NOT APPROVE OF THE DESIGNATION OF THAT
8 INDIVIDUAL AS THE LICENSEE'S PRINCIPAL LICENSE HOLDER, THE
9 DEPARTMENT SHALL NOTIFY THE LICENSEE OF ITS DISAPPROVAL. WITHIN 30
10 DAYS AFTER RECEIVING THAT NOTIFICATION, THE LICENSEE SHALL
11 DESIGNATE ANOTHER INDIVIDUAL UNDER SUBSECTION (3) AND MEET THE
12 REQUIREMENTS OF THIS SECTION FOR APPROVAL OF THAT INDIVIDUAL BY THE
13 DEPARTMENT AS ITS PRINCIPAL LICENSE HOLDER.

14 (5) IF A SECURITY GUARD AGENCY IS REQUIRED TO HAVE A PRINCIPAL
15 LICENSE HOLDER UNDER THIS SECTION, THE SECURITY GUARD AGENCY'S
16 LICENSE UNDER THIS ARTICLE IS AUTOMATICALLY SUSPENDED DURING ANY
17 PERIOD OF TIME THE LICENSEE HAS NOT DESIGNATED A PRINCIPAL LICENSE
18 HOLDER AND NOTIFIED THE DEPARTMENT OF THAT DESIGNATION. HOWEVER, ON
19 REQUEST, THE DEPARTMENT MAY PERMIT THE LICENSE TO STAY IN FORCE FOR
20 60 DAYS TO ALLOW THE LICENSEE TO DESIGNATE A PRINCIPAL LICENSE
21 HOLDER.

22 SEC. 1433. (1) A LICENSEE SHALL NOT EMPLOY AN INDIVIDUAL THAT
23 DOES NOT MEET ALL OF THE FOLLOWING:

24 (A) MEETS THE QUALIFICATIONS DESCRIBED IN SECTION 1425(1)(D),
25 (H), AND (I).

26 (B) MEETS EITHER OF THE FOLLOWING:

27 (i) IS AT LEAST 18 YEARS OLD AND GRADUATED FROM HIGH SCHOOL OR

1 PASSED THE GENERAL EDUCATIONAL DEVELOPMENT (GED) TEST OR ANOTHER
2 GRADUATE EQUIVALENCY EXAMINATION APPROVED BY THE DEPARTMENT.

3 (ii) IS AT LEAST 25 YEARS OLD.

4 (2) A LICENSEE SHALL MAINTAIN AND KEEP IN THIS STATE ADEQUATE
5 AND COMPLETE PERSONNEL INFORMATION ON ALL OF ITS EMPLOYEES.

6 (3) A LICENSEE SHALL NOT FALSELY STATE OR REPRESENT THAT AN
7 INDIVIDUAL IS OR HAS BEEN IN THE LICENSEE'S EMPLOY. A LICENSEE THAT
8 VIOLATES THIS SUBSECTION IS SUBJECT TO THE PENALTIES UNDER ARTICLE
9 6.

10 SEC. 1435. (1) A LICENSEE SHALL NOT ALLOW AN INDIVIDUAL WHO IS
11 CONVICTED OF A FELONY OR A DISQUALIFYING MISDEMEANOR WHILE IN THE
12 EMPLOY OF THE LICENSEE AS A SECURITY GUARD TO CONTINUE THAT
13 EMPLOYMENT.

14 (2) BEFORE A LICENSEE MAKES AN OFFER OF EMPLOYMENT TO AN
15 INDIVIDUAL, OR ENGAGES AN INDIVIDUAL AS A CONTRACTOR, TO PROVIDE
16 SERVICES AS A SECURITY GUARD DIRECTLY TO THE LICENSEE'S CUSTOMERS,
17 THE LICENSEE SHALL PERFORM A CRIMINAL HISTORY CHECK ON THAT
18 INDIVIDUAL USING ICHAT, OR OBTAIN AN EQUIVALENT CHECK ON THAT
19 INDIVIDUAL FROM HIS OR HER STATE OR PROVINCE OF RESIDENCE. IF THE
20 RESULTS OF THE ICHAT SEARCH OR THE RESULTS OF THE EQUIVALENT CHECK
21 REVEAL THAT HE OR SHE HAS BEEN CONVICTED OF A FELONY OR A
22 DISQUALIFYING MISDEMEANOR, THE LICENSEE SHALL NOT MAKE AN OFFER OF
23 EMPLOYMENT TO, OR ENGAGE, THAT INDIVIDUAL TO PROVIDE SERVICES AS A
24 SECURITY GUARD DIRECTLY TO THE LICENSEE'S CUSTOMERS.

25 (3) WITHIN 180 DAYS AFTER THE EFFECTIVE DATE OF THE AMENDATORY
26 ACT THAT ADDED THIS ARTICLE, A LICENSEE SHALL PERFORM A CRIMINAL
27 HISTORY CHECK USING ICHAT, OR OBTAIN AN EQUIVALENT CHECK FROM HIS

1 OR HER STATE OR PROVINCE OF RESIDENCE, ON EACH INDIVIDUAL EMPLOYED
2 OR ENGAGED BY, THE LICENSEE TO PROVIDE SERVICES AS A SECURITY GUARD
3 DIRECTLY TO THE LICENSEE'S CUSTOMERS. IF THE RESULTS OF THE ICHAT
4 SEARCH OR THE RESULTS OF THE EQUIVALENT CHECK REVEAL THAT THE
5 INDIVIDUAL HAS BEEN CONVICTED OF A FELONY OR A DISQUALIFYING
6 MISDEMEANOR, THE LICENSEE SHALL NOT CONTINUE TO EMPLOY OR ENGAGE
7 THAT INDIVIDUAL.

8 (4) AS USED IN THIS SECTION, "ICCHAT" MEANS THE INTERNET
9 CRIMINAL HISTORY ACCESS TOOL MAINTAINED BY THE DEPARTMENT OF STATE
10 POLICE.

11 SEC. 1437. (1) A LICENSEE SHALL NOT WEAR OR ALLOW AN EMPLOYEE
12 TO WEAR A PARTICULAR TYPE OF UNIFORM AND INSIGNIA THAT DECEIVES OR
13 CONFUSES THE PUBLIC, OR THAT IS IDENTICAL WITH THAT OF A LAW
14 ENFORCEMENT OFFICER OF THE FEDERAL GOVERNMENT, THIS STATE, OR A
15 POLITICAL SUBDIVISION OF THIS STATE. EACH UNIFORM JACKET, COAT, OR
16 SHIRT WORN BY A LICENSEE OR ITS EMPLOYEES SHALL HAVE AN
17 IDENTIFICATION PATCH ON EACH SHOULDER THAT INCLUDES THE NAME OF THE
18 LICENSEE. A SHOULDER IDENTIFICATION PATCH DESCRIBED IN THIS
19 SUBSECTION MAY BE ANY COLOR OR COLORS, MUST BE AT LEAST 12 SQUARE
20 INCHES IN SIZE, AND MAY NOT BE IN THE SHAPE OF A SHIELD OR ANY
21 SHAPE THAT IS USED BY ANY PUBLIC LAW ENFORCEMENT AGENCY IN THIS
22 STATE. A BREAST PATCH OF ANY COLOR SHALL BE AT LEAST 4-1/2 INCHES
23 LONG AND 1 INCH HIGH, WITH CLEARLY LEGIBLE LETTERING CONTAINING THE
24 WORDS "SECURITY", "SECURITY GUARD", OR "LOSS PREVENTION". SHIRT
25 EPAULETS MAY BE ANY COLOR.

26 (2) A LICENSEE OR EMPLOYEE OF A LICENSEE MAY WEAR A BADGE OR
27 SHIELD AS PART OF A SECURITY GUARD UNIFORM. A BADGE OR SHIELD SHALL

1 NOT BE SIMILAR IN SHAPE TO THAT OF ANY LAW ENFORCEMENT OFFICER OF
2 THE FEDERAL GOVERNMENT, THIS STATE, OR A POLITICAL SUBDIVISION OF
3 THIS STATE. A BADGE OR SHIELD MAY CONTAIN THE FLAG OF THE UNITED
4 STATES OF AMERICA OR THE SCALE OF JUSTICE. A UNIFORM MAY INCLUDE
5 DESIGNATIONS OF RANK, EMBLEMS, OR OTHER GARNISHMENTS THAT MAY BE
6 ANY COLOR, EXCEPT THAT THEY SHALL NOT BEAR THE SEAL OF THE STATE OF
7 MICHIGAN.

8 (3) IF A LICENSEE CONSIDERS ALTERNATIVE APPAREL TO BE MORE
9 APPROPRIATE FOR A LOCATION OR EVENT, THE LICENSEE MAY AUTHORIZE
10 EITHER OF THE FOLLOWING IN PLACE OF A UNIFORM DESCRIBED IN THIS
11 SECTION:

12 (A) DRESS SLACKS AND SHIRT WITH A BLAZER. THE BLAZER MUST BEAR
13 AN EMBLEM OR A CREST ON THE LEFT BREAST THAT INCLUDES THE FULL NAME
14 OF THE LICENSEE. THE EMBLEM OR CREST MAY BE ANY COLOR.

15 (B) DRESS SLACKS WITH A BUTTON-DOWN POLO SHIRT. THE SHIRT MUST
16 BEAR AN EMBLEM OR A CREST ON THE LEFT BREAST THAT INCLUDES THE FULL
17 NAME OF THE LICENSEE. THE POLO SHIRT MAY INCLUDE LETTERING ON THE
18 BACK WITH THE WORDS "SECURITY" OR "LOSS PREVENTION".

19 (4) IN INCLEMENT WEATHER, A LICENSEE OR EMPLOYEE MAY WEAR A
20 VINYL RAINCOAT OVER A UNIFORM DESCRIBED IN THIS SECTION. A LICENSEE
21 OR EMPLOYEE MAY WEAR A UNIFORM HAT OR CAP WITH THE UNIFORM. THE HAT
22 OR CAP MAY BEAR AN EMBLEM THAT DOES NOT INCLUDE THE STATE OF
23 MICHIGAN SEAL.

24 SEC. 1439. (1) A LICENSEE THAT EMPLOYS OR ENGAGES AN
25 INDIVIDUAL TO PROVIDE SERVICES AS A SECURITY GUARD DIRECTLY TO THE
26 LICENSEE'S CUSTOMERS SHALL ENSURE THAT ALL OF THE FOLLOWING ARE
27 MET:

1 (A) BEFORE HE OR SHE ACTS AS A SECURITY GUARD WITHOUT DIRECT
2 SUPERVISION, THE INDIVIDUAL COMPLETES AT LEAST 16 HOURS OF ON-THE-
3 JOB, SITE-SPECIFIC TRAINING UNDER THE IMMEDIATE SUPERVISION OF AN
4 EXPERIENCED SUPERVISOR.

5 (B) IN THE FIRST 90 DAYS OF HIS OR HER EMPLOYMENT, THE
6 INDIVIDUAL COMPLETES AT LEAST 16 HOURS OF CLASSROOM TRAINING
7 PROVIDED BY THE LICENSEE.

8 (C) BEFORE HE OR SHE IS AUTHORIZED TO USE A WEAPON OR
9 RESTRAINT DEVICE WHILE ON DUTY, HE OR SHE COMPLETES THE FOLLOWING
10 REQUIRED TRAINING:

11 (i) FOR AN AEROSOL SPRAY OR CONDUCTED ENERGY DEVICE, ANY
12 MANUFACTURER-AUTHORIZED CERTIFICATION IN THE USE OF THE DEVICE FOR
13 SECURITY OR LAW ENFORCEMENT PERSONNEL. THE LICENSEE SHALL ENSURE
14 THAT THE INDIVIDUAL MAINTAINS THAT CERTIFICATION AT ALL TIMES WHILE
15 HE OR SHE IS EMPLOYED OR ENGAGED BY THE LICENSEE TO PROVIDE
16 SERVICES AS A SECURITY GUARD.

17 (ii) FOR A TACTICAL BATON, 4 CLASS HOURS OF TRAINING SELECTED
18 BY THE LICENSEE.

19 (iii) FOR A RESTRAINT DEVICE, 2 CLASS HOURS OF TRAINING SELECTED
20 BY THE LICENSEE.

21 (iv) FOR A FIREARM, 4 HOURS OF SPECIALIZED TRAINING IN THE USE
22 OF A FIREARM FOR SECURITY OR LAW ENFORCEMENT PERSONNEL SELECTED BY
23 THE LICENSEE. IN ADDITION, THE LICENSEE SHALL ENSURE THAT THE
24 INDIVIDUAL COMPLETES AN ADDITIONAL 4 HOURS OF THAT SPECIALIZED
25 TRAINING ANNUALLY.

26 (D) EVERY 2 YEARS, THE INDIVIDUAL COMPLETES AT LEAST 4 HOURS
27 OF CONTINUING CLASSROOM TRAINING IN THE USE OF A TACTICAL BATON, IN

1 THE USE OF A RESTRAINT DEVICE, AND IN THE SUBJECTS DESCRIBED IN
2 SUBSECTION (2) (A) TO (C).

3 (2) THE CLASSROOM TRAINING DESCRIBED IN SUBSECTION (1) (B)
4 SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING SUBJECTS:

5 (A) A MINIMUM OF 6 HOURS OF COMPANY AND POSITION ORIENTATION
6 THAT INCLUDES MINIMUM UNIFORM REQUIREMENTS AND APPEARANCE; LIMITS
7 OF AUTHORITY AND EMPLOYMENT; LEGAL ASPECTS OF THE USE OF FORCE AND
8 THE POWER TO ARREST; PERSONS OR AUTHORITIES TO BE CONTACTED IN
9 EMERGENCIES OR UNUSUAL OCCURRENCES; LICENSEE OR PARENT COMPANY
10 STRUCTURE THAT AFFECTS GUARDS' DUTIES; GUARD COURTESY AND PUBLIC
11 DEMEANOR; AND REPORT WRITING.

12 (B) A MINIMUM OF 8 HOURS INVOLVING DEFENSIVE TACTICS THAT
13 INCLUDE SELF-DEFENSE; CORRECT USE OF RESTRAINING DEVICES; PRESSURE
14 POINT TRAINING; DETECTION OF SUBSTANCE ABUSE AND MENTAL ILLNESS;
15 AND VERBAL AND SENSITIVITY TRAINING.

16 (C) A MINIMUM OF 2 HOURS REGARDING EMERGENCY PREPAREDNESS THAT
17 INCLUDES THE GENERAL RESPONSIBILITIES PERTAINING TO MEDICAL
18 EMERGENCIES AND RESPONSE; FIRST AID AND CARDIOPULMONARY
19 RESUSCITATION, AND FOREIGN BODY OBSTRUCTION OF THE AIRWAY; CROWD
20 CONTROL; EXPOSURE TO BODILY FLUID; FIRE PREVENTION AND SAFETY; BOMB
21 THREATS; SEARCHES; WEATHER EMERGENCIES; CHEMICAL SPILLS, LEAKS, AND
22 RELATED WASTE; AND EVACUATION PROCEDURES.

23 (3) A LICENSEE SHALL PREPARE AND RETAIN A RECORD OF AN
24 INDIVIDUAL'S COMPLETION OF THE TRAINING DESCRIBED IN THIS SECTION
25 AND MAKE THAT RECORD AVAILABLE TO THE DEPARTMENT ON REQUEST.

26 SEC. 1441. A LICENSEE SHALL NOT USE ANY DESIGNATION OR TRADE
27 NAME THAT IMPLIES ANY ASSOCIATION WITH ANY MUNICIPAL, COUNTY, OR

1 STATE GOVERNMENT, WITH THE FEDERAL GOVERNMENT, OR WITH AN AGENCY OF
2 THE FEDERAL GOVERNMENT.

3 SEC. 1443. (1) THIS ARTICLE DOES NOT IMPAIR OR AFFECT ANY ACT
4 DONE, OFFENSE COMMITTED, OR RIGHT ACCRUING, ACCRUED, OR ACQUIRED OR
5 ANY PENALTY, FORFEITURE, OR PUNISHMENT INCURRED BEFORE THE
6 EFFECTIVE DATE OF THIS ACT.

7 (2) A LICENSE THAT WAS ISSUED UNDER THE PRIVATE SECURITY
8 BUSINESS AND SECURITY ALARM ACT AND IS CURRENTLY IN EFFECT ON THE
9 DATE OF THE AMENDATORY ACT THAT ADDED THIS ARTICLE SHALL REMAIN IN
10 EFFECT FOR THE TIME PERIOD FOR WHICH THAT LICENSE WOULD HAVE
11 REMAINED IN EFFECT IF THIS ARTICLE HAD NOT BEEN ENACTED; AND THAT
12 LICENSEE IS NOT REQUIRED TO OBTAIN A LICENSE UNDER THIS ARTICLE TO
13 CONDUCT BUSINESS AS A SECURITY GUARD AGENCY DURING THAT TIME
14 PERIOD.

15 (3) R 28.4001 TO R 28.4007 OF THE MICHIGAN ADMINISTRATIVE CODE
16 ARE RESCINDED.

17 Sec. 2404b. (1) Beginning June 1, 2008, an applicant for
18 initial licensure either as a residential builder or as a
19 residential maintenance and alteration contractor must successfully
20 complete a prelicensure course of study as required under this
21 subsection to obtain a license. A licensee that holds a residential
22 builder or a residential maintenance and alteration contractor
23 license on June 1, 2008 and is renewing a license in the capacity
24 of an individual or qualifying officer, or both, is exempt from the
25 requirement of successfully completing prelicensure courses
26 described in this subsection. Subject to subsections (11), (12),
27 and (13), the department shall require an applicant who is not

1 exempt under this subsection to successfully complete 60 hours of
2 approved prelicensure courses consisting of at least 6 hours of
3 courses in each of the following areas of competency:

4 (a) Business management, estimating, and job costing.

5 (b) Design and building science.

6 (c) Contracts, liability, and risk management.

7 (d) Marketing and sales.

8 (e) Project management and scheduling.

9 (f) The current Michigan residential code.

10 (g) Construction safety standards promulgated under the
11 Michigan occupational safety and health act, 1974 PA 154, MCL
12 408.1001 to 408.1094.

13 (2) An individual who receives his or her initial license
14 under this article as a residential builder or a residential
15 maintenance and alteration contractor on or after January 1, 2009
16 shall successfully complete at least 3 hours of activities
17 demonstrating continuing competency in each calendar year, during
18 the first 6 calendar years of licensure, and 21 hours in each 3-
19 year time period after the issuance of his or her license. At least
20 3 hours shall be devoted to those activities designed to develop a
21 licensee's understanding and ability to apply state building codes
22 and laws relating to the licensed occupation, safety, and changes
23 in construction and business management laws. A licensee who has
24 held a license for more than 6 years or who has not been the
25 subject of a final order under subsection (3), at least 3 hours of
26 activities demonstrating continuing competency in each license
27 cycle that includes 1 hour of codes, 1 hour of safety, and 1 hour

1 of legal issues as described in this subsection.

2 (3) If the department has determined in a final order that a
3 licensee has violated this act or a rule adopted under this act,
4 the licensee must successfully complete, during the next complete
5 license cycle, up to 21 hours of activities that demonstrate the
6 development of continuing competency during that next license cycle
7 as determined appropriate by order of the department, that includes
8 at least 1 hour of codes, 1 hour of safety, and 1 hour of legal
9 issues as described in subsection (2).

10 (4) As activities that demonstrate the development of
11 continuing competency, the education courses described in section
12 3, pages 3-6 to 3-58 of the January 2005 edition of the publication
13 "NAHB University of Housing, Blueprint for Success", published by
14 the national association of home builders, and taught by
15 instructors meeting the requirements of section 4, pages 4-5
16 through 4-9 of the January 2005 edition of "NAHB University of
17 Housing, Blueprint for Success", are considered approved, are
18 considered appropriate for fulfilling the prelicensure and
19 continuing competency requirements of subsections (1), (2), and
20 (3), and are incorporated by reference. A licensee may take any
21 courses equivalent to those courses incorporated by reference by
22 this subsection. Updates to the courses described in this
23 subsection or equivalent courses are acceptable unless the
24 department determines that the courses do not provide a means of
25 developing and maintaining continuing competency for those
26 applicants or licensees who successfully fulfill the course
27 requirements. Any construction code update courses approved by the

1 bureau of construction codes and any fire safety or workplace
2 safety courses approved or sponsored by the department are also
3 considered appropriate for fulfilling the continuing competency
4 requirements of this subsection. The department may, by rule,
5 amend, supplement, update, substitute, or determine equivalency
6 regarding any courses or alternate activities for developing
7 continuing competency described in this subsection.

8 (5) The department may waive the requirement of membership in
9 a local, state, or national trade association contained in the
10 instructor standards of section 4, pages 4-5 to 4-9 of the January
11 2005 edition of the publication "NAHB University of Housing,
12 Blueprint for Success", published by the national association of
13 home builders, and incorporated by reference. By rule, the
14 department may amend, supplement, update, substitute, or determine
15 equivalency regarding the standards in this subsection and shall
16 establish instructor qualifications for courses not incorporated by
17 reference in subsection (4).

18 (6) The subject matter of the prelicensure and continuing
19 competency activities may be offered by a high school, an
20 intermediate school district, a community college, a university,
21 the bureau of construction codes, the Michigan occupational safety
22 and health administration, a trade association, or a proprietary
23 school that is licensed by the department as meeting the subject
24 matter qualifications described in subsection (4) and the
25 instructional qualifications described in subsection (5).

26 (7) The department shall promulgate rules to provide for the
27 following:

1 (a) Requirements other than those listed in subsection (4) for
2 determining that a course meets the minimum criteria for developing
3 and maintaining continuing competency.

4 (b) Requirements for acceptable courses offered at seminars
5 and conventions by trade associations, research institutes, risk
6 management entities, manufacturers, suppliers, governmental
7 agencies other than those named in subsection (4), consulting
8 agencies, or other entities.

9 (c) Acceptable distance learning.

10 (d) Alternate forms of continuing competency, including
11 comprehensive testing, participation in mentoring programs,
12 research, participation in code hearings conducted by the
13 international code council, and publication of articles in trade
14 journals or regional magazines as an expert in the field. The
15 alternate forms shall be designed to maintain and improve the
16 licensee's ability to perform the occupation with competence and
17 shall prescribe proofs that are necessary to demonstrate that the
18 licensee has fulfilled the requirements of continuing competency.

19 (8) Each licensee may select approved courses in his or her
20 subject matter area or specialty. Service as a lecturer or
21 discussion leader in an approved course shall be counted toward the
22 continuing competency requirements of this section. Alternate forms
23 of continuing competency may be earned and documented as
24 promulgated in rules by the department.

25 (9) The department may audit a predetermined percentage of
26 licensees who renew in a year for compliance with the requirements
27 of this section. Failure to comply with the audit or the

1 requirements shall result in the investigation of a complaint
2 initiated by the department, and the licensee is subject to the
3 penalties prescribed in this act.

4 (10) A licensed residential builder or residential alteration
5 and maintenance contractor may apply for inactive status by
6 completing an application, made available by the department, in
7 which he or she declares that he or she is no longer actively
8 engaged in the practice authorized by his or her license and
9 temporarily intends to suspend activity authorized by his or her
10 license. If a completed application is submitted, the department
11 shall designate the licensee as inactive and note that status on
12 records available to the public. A licensee who is designated as
13 inactive must have a current copy of the Michigan residential code
14 and is exempt from the continuing competency requirements imposed
15 under this section, but must still pay the per-year license fee. An
16 inactive licensee may activate his or her license by submitting an
17 application to the department requesting activation of the license.
18 If the department activates an inactive license, the licensee must
19 complete at least 1 credit hour of continuing competency for that
20 calendar year.

21 (11) Subject to subsection (13), an applicant for initial
22 licensure as a residential builder or residential maintenance and
23 alteration contractor is exempt from the requirements of subsection
24 (1) if he or she meets all of the following:

25 (a) Served in the armed forces.

26 (b) While serving in the armed forces, was engaged in the
27 erection, construction, replacement, repair, alteration, or

1 demolition of buildings or other structures.

2 (c) Was separated from service in the armed forces, and
3 provides to the department a form DD214, form DD215, or any other
4 form that is satisfactory to the department that demonstrates that
5 he or she was separated from that service, with an honorable
6 character of service or under honorable conditions (general)
7 character of service.

8 (d) Has, and provides with his or her application an affidavit
9 signed by a commanding officer, supervisor, or military superior
10 with direct knowledge of the applicant's service that he or she
11 has, entry-level experience in or basic knowledge of each of the
12 areas of competency described in subsection (1)(a) to (g).

13 (12) If an applicant who otherwise meets the requirements of
14 subsection (11) does not have entry-level experience in or basic
15 knowledge of each of the areas of competency described in
16 subsection (1)(a) to (g), he or she may provide with his or her
17 application an affidavit signed by a commanding officer,
18 supervisor, or military superior with direct knowledge of the
19 applicant's service that states in which of those areas of
20 competency the applicant has entry-level experience or basic
21 knowledge, and the department may in its discretion grant the
22 applicant credit toward the 60-hour prelicensure education
23 requirement of subsection (1) based on that experience or
24 knowledge.

25 (13) If an applicant for initial licensure as a residential
26 builder or residential maintenance and alteration contractor
27 described in subsection (11) does not pass the examination for that

1 license the first time he or she takes the examination, that
2 applicant may not retake the examination until he or she
3 successfully completes a prelicensure course of study described in
4 subsection (1).

5 ~~—— (14) As used in the section, "armed forces" means that term as~~
6 ~~defined in section 2 of the veteran right to employment services~~
7 ~~act, 1994 PA 39, MCL 35.1092.~~

8 Enacting section 1. Section 517 of the occupational code, 1980
9 PA 299, MCL 339.517, is repealed.

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

12 Enacting section 3. This amendatory act does not take effect
13 unless all of the following bills of the 97th Legislature are
14 enacted into law:

15 (a) Senate Bill No. 986.

16

17 (b) Senate Bill No. 985.

18

19 (c) Senate Bill No. 984.

20