

# HOUSE BILL No. 5948

June 11, 1992, Introduced by Reps. Gire, Scott, Bartnik, DeBeaussaert, Porreca and Hollister and referred to the Committee on Social Services and Youth.

A bill to amend sections 11 and 16 of Act No. 192 of the Public Acts of 1984, entitled

"Forbes mechanical contractors act,"

section 11 as amended by Act No. 5 of the Public Acts of 1990, being sections 338.981 and 338.986 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Sections 11 and 16 of Act No. 192 of the Public  
2 Acts of 1984, section 11 as amended by Act No. 5 of the Public  
3 Acts of 1990, being sections 338.981 and 338.986 of the Michigan  
4 Compiled Laws, are amended to read as follows:

5       Sec. 11. (1) The department may investigate the activities  
6 of a licensee related to the licensee's activities as a  
7 contractor. The department may hold hearings, administer oaths,  
8 and order relevant testimony to be taken and shall report its

1 findings to the board. The board shall proceed under section 16  
2 if the board finds that any of the following grounds exist:

3 (a) The practice of fraud or deceit in obtaining a license  
4 under this act.

5 (b) The practice of fraud or deceit in the performance of  
6 work for which a license is required under this act.

7 (c) An act of gross negligence.

8 (d) The practice of false advertising.

9 (e) An act which demonstrates incompetence.

10 (f) A violation of this act or rule promulgated under this  
11 act.

12 (2) The board, upon recommendation of the department, shall  
13 suspend or revoke the license of any person whose failure to pay  
14 a lien claimant results in a payment being made from the home-  
15 owner construction lien recovery fund pursuant to the construc-  
16 tion lien act, Act No. 497 of the Public Acts of 1980, being sec-  
17 tions 570.1101 to 570.1305 of the Michigan Compiled Laws. The  
18 license shall not be renewed, ~~nor shall~~ AND THE DEPARTMENT  
19 SHALL NOT ISSUE a new license ~~be issued~~ until the person whose  
20 license has been suspended or revoked under this subsection has  
21 repaid in full to the fund the amount paid out plus the costs of  
22 litigation and interest at the rate set by section 6013 of the  
23 revised judicature act of 1961, Act No. 236 of the Public Acts of  
24 1961, being section 600.6013 of the Michigan Compiled Laws.

25 (3) The department shall conduct a review upon notice by the  
26 department of public health that the licensee has violated the  
27 asbestos abatement contractors licensing act, Act No. 135 of the

1 Public Acts of 1986, being sections 338.3101 to 338.3319 of the  
2 Michigan Compiled Laws, or sections 57 to ~~60f~~ 60D of the  
3 Michigan occupational safety and health act, Act No. 154 of the  
4 Public Acts of 1974, being sections 408.1057 to ~~408.1060f~~  
5 408.1060D of the Michigan Compiled Laws and may suspend or revoke  
6 that person's license for a knowing violation of those acts.

7 (4) SUBJECT TO SUBSECTION (5), UPON RECEIPT OF A NOTICE FROM  
8 THE OFFICE OF THE FRIEND OF THE COURT STATING THAT AN INDIVIDUAL  
9 LICENSEE IS AT LEAST 6 MONTHS IN ARREARS OF SUPPORT, THE BOARD  
10 SHALL SUSPEND THE LICENSE OR REGISTRATION OF AN INDIVIDUAL AFTER  
11 ALL OF THE FOLLOWING OCCUR:

12 (A) THE DEPARTMENT SENDS A NOTICE FOR A HEARING TO BE SCHED-  
13 ULED NOT LESS THAN 30 DAYS AFTER THE DATE THE NOTICE IS SENT TO  
14 THE INDIVIDUAL'S ADDRESS AS INDICATED IN THE DEPARTMENT'S  
15 RECORDS.

16 (B) THE LICENSEE FAILS TO PRESENT PROOF ACCEPTABLE TO THE  
17 BOARD THAT THE ARREARAGE HAS BEEN PAID.

18 (5) IF AT THE HEARING THE BOARD DETERMINES THAT EXTREME  
19 HARDSHIP TO THE INDIVIDUAL OR PERSONS THE INDIVIDUAL SERVES WOULD  
20 BE CREATED BY THE SUSPENSION, THE BOARD SHALL NOT SUSPEND THE  
21 LICENSE AND SHALL CONDITION THE HOLDING OF THE LICENSE UPON COM-  
22 PLIANCE WITH THE SUPPORT ORDER.

23 (6) THE ONLY ISSUES TO BE CONSIDERED BY THE BOARD ARE  
24 WHETHER THE INDIVIDUAL IS THE HOLDER OF A LICENSE AND WHETHER THE  
25 INDIVIDUAL HAS PRESENTED PROOF ACCEPTABLE TO THE BOARD THAT  
26 ARREARAGE HAS BEEN PAID.

1       (7) ~~(4)~~ A revocation, suspension, or other sanction set  
2 forth in ~~subsection (3)~~ THIS SECTION or section 16 shall be  
3 imposed only after a hearing has been conducted pursuant to the  
4 administrative procedures act of 1969, Act No. 306 of the Public  
5 Acts of 1969, being sections 24.201 to 24.328 of the Michigan  
6 Compiled Laws.

7       (8) ~~(5)~~ The installation, alteration, or servicing of  
8 heating, cooling, ventilating, or refrigerating equipment or sys-  
9 tems shall not be performed under a license that has been sus-  
10 pended, revoked, or has expired. A license, other than a license  
11 issued under this act, shall not be recognized for securing per-  
12 mits to install, alter, or service heating, cooling, ventilating,  
13 or refrigerating equipment or systems.

14       Sec. 16. After finding the existence of 1 or more of the  
15 grounds for board action described in section 11(1) and after an  
16 opportunity for a hearing, the board, except as provided in sec-  
17 tion 11(2), (3), AND (4), shall impose 1 or more of the following  
18 sanctions for each violation:

- 19       (a) Suspension of the license issued under this act.  
20       (b) Denial of the license required under this act.  
21       (c) Revocation of the license issued under this act.  
22       (d) A requirement that restitution be made.