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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bills 329, 330, and 331 (as introduced 3-26-97)  
Sponsor: Senator Mike Rogers  
Committee: Human Resources, Labor and Veterans Affairs

Date Completed: 4-8-97

### **CONTENT**

The bills would amend three separate Acts to limit the civil liability of certain contractors who performed work for a charitable organization, and to allow the owner of property on which such work was performed to obtain a construction permit. Senate Bill 329 would amend the Forbes Mechanical Contractors Act, which provides for the licensure of heating, cooling, ventilating and refrigerating equipment installation and service contractors; Senate Bill 330 would amend Public Act 266 of 1929, which provides for the classification and licensure of plumbers; and Senate Bill 331 would amend the Electrical Administrative Act, which provides for the licensure and regulation of electricians and electrical contractors.

Currently, under each of the three Acts, a person must obtain a permit in order to perform certain construction or repairs. The bills provide that if the construction or repair work were performed by a licensee (under the various Acts) for or on behalf of a charitable organization, the required permit could be obtained by the owner of the property on which the work was performed. "Charitable organization" would mean a nonprofit, tax-exempt religious, benevolent, educational, philanthropic, or humane organization.

Each bill provides that a person licensed under the Act, who in good faith performed work for a charitable organization under the bill, would not be liable in a civil action brought to recover damages incurred as a result of the work performed. This exemption from liability would not apply if the damages resulted from the licensed person's acting in a willful, wanton, or reckless manner; if the work performed were not done according to the standards that would otherwise be required of the licensee; or, if the licensee had constructive knowledge that the work performed was hazardous or dangerous.

MCL 338.977 (S.B. 329)  
Proposed MCL 338.904a (S.B. 330)  
MCL 338.885 (S.B. 331)

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

The bills would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.