

HOUSE BILL No. 5833

February 17, 2010, Introduced by Rep. Durhal and referred to the Committee on Appropriations.

A bill to amend 2002 PA 733, entitled
"State plumbing act,"
by amending sections 21, 43, and 47 (MCL 338.3531, 338.3553, and 338.3557).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 21. (1) To qualify for a plumbing contractor license, the
2 applicant must either hold a master plumber license or employ the
3 holder of a master plumber license as his or her representative.
4 Only an owner of a sole proprietorship or partnership, or an
5 officer of a corporation or limited liability company, may apply
6 for licensure as a plumbing contractor.

7 (2) The department shall issue a plumbing contractor's license
8 to a person who does all of the following:

9 (a) Files a completed application on a form provided by the
10 department that includes the following information:

1 (i) A statement listing the complete address of each place
2 where the applicant has resided and has been engaged in business
3 during the last 5 years including the length of residences and
4 types of businesses engaged in or employments.

5 (ii) The name of the applicant, the name of the business, and
6 the location of the place for which the license is desired.

7 (iii) The name of the business owner or president of the
8 corporation and the name of the applicant, if different from the
9 name of the business owner or president, and his or her title.

10 (iv) The name, residence address, and license number of the
11 licensed master plumber who represents the person.

12 (b) Pays the examination fee prescribed in section 31 and
13 passes an examination provided for by the board and the department.

14 (c) Pays the license fee prescribed in section 31.

15 (3) A licensed plumbing contractor may operate 1 or more
16 branch offices in this state bearing the same firm name ~~provided~~ **IF**
17 a licensed master plumber is in charge and has the responsibility
18 of supervision at each branch.

19 (4) ~~When~~ **IF** a license is issued to a plumbing contractor
20 represented by a master plumber, the plumbing contractor and the
21 master plumber are jointly and severally responsible for exercising
22 the supervision or control of the plumbing operations necessary to
23 secure full compliance with this act, the rules promulgated under
24 this act, and all other laws and rules related to the installation
25 of plumbing.

26 (5) Both a person other than a plumbing contractor and the
27 master plumber are jointly and severally responsible for exercising

1 the supervision or control of the plumbing operations necessary to
2 secure full compliance with this act, the rules promulgated under
3 this act, and all other laws and rules related to the installation
4 of plumbing.

5 (6) If a plumbing contractor is represented by a licensed
6 master plumber who ceases to represent the plumbing contractor, the
7 plumbing contractor has 30 days thereafter in which to designate
8 another licensed master plumber as the representative of the
9 plumbing contractor. The plumbing contractor shall notify the
10 department in writing of the change.

11 ~~—— (7) A person applying for a plumbing contractor license shall~~
12 ~~also pay any amount required to be paid under the construction lien~~
13 ~~act, 1980 PA 497, MCL 570.1101 to 570.1305, which amount shall be~~
14 ~~paid to the department for deposit in the homeowner construction~~
15 ~~lien recovery fund. An assessment imposed upon a master plumber is~~
16 ~~considered sufficient to fulfill any assessment obligation that may~~
17 ~~exist for a plumbing contractor.~~

18 ~~—— (8) A person who, on the effective date of this act, is~~
19 ~~licensed as a master plumber under former 1929 PA 266 or employing~~
20 ~~a licensed master plumber shall, upon payment of the plumbing~~
21 ~~contractor license fee and upon furnishing the department with~~
22 ~~satisfactory evidence of having been engaged in a business as a~~
23 ~~master plumber for a minimum of 3 out of the 5 years immediately~~
24 ~~preceding the effective date of this act, be granted a plumbing~~
25 ~~contractor license without examination if the person applies within~~
26 ~~6 months after the effective date of this act.~~

27 (7) ~~(9)~~ A licensed plumbing contractor shall display in a

1 conspicuous place at the entrance of the place of business a sign
2 bearing the company name and the name of the licensed master
3 plumber and license number in letters not less than 3 inches high.

4 Sec. 43. (1) The department may investigate the activities of
5 a person licensed or registered under this act ~~which~~**THAT** are
6 related to the person's licensure or registration as a plumbing
7 contractor, master plumber, journey plumber, or apprentice plumber
8 for activities that include, but are not limited to, the grounds
9 described in subsection (2)(a) through (f). The department may hold
10 hearings pursuant to the administrative procedures act of 1969,
11 1969 PA 306, MCL 24.201 to 24.328, and shall report its findings to
12 the board.

13 (2) After an administrative hearing, the board shall proceed
14 under section 47 against a person if the board finds that 1 or more
15 of the following grounds for board action exist:

16 (a) The practice of fraud or deceit in obtaining a license or
17 registration under this act.

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

20 (c) An act of gross negligence.

21 (d) False advertising.

22 (e) An act that demonstrates incompetence.

23 (f) A violation of this act or **A** rule promulgated under this
24 act.

25 ~~—— (3) Notwithstanding section 47, the board upon recommendation~~
26 ~~of the department shall suspend or revoke the license of a person~~
27 ~~whose failure to pay a lien claimant results in a payment being~~

1 ~~made from the homeowner construction lien recovery fund pursuant to~~
2 ~~the construction lien act, 1980 PA 497, MCL 570.1101 to 570.1305.~~
3 ~~The license shall not be renewed and a new license shall not be~~
4 ~~issued until that person has made full restitution to the fund,~~
5 ~~including the costs of litigation and interest at the rate set by~~
6 ~~section 6013 of the revised judicature act of 1961, 1961 PA 236,~~
7 ~~MCL 600.6013.~~

8 (3) ~~(4)~~ Activity regulated under this act shall not be
9 performed by a person whose license or registration has been
10 suspended or revoked or whose license or registration has expired.

11 Sec. 47. (1) After finding the existence of a violation
12 described in section 43 and after an opportunity for a hearing, the
13 board, except as otherwise provided in ~~section 43(3) and section~~
14 45, shall impose 1 or more of the following sanctions for a
15 violation:

16 (a) Suspension of the license or registration.

17 (b) Denial of the license or registration.

18 (c) Denial of renewal of a license or registration.

19 (d) Censure.

20 (e) Probation.

21 (f) Revocation of the license or registration.

22 (g) Restitution.

23 (2) If restitution is required to be made under this section,
24 the license or registration of the person required to make
25 restitution may be suspended until restitution is made.

26 Enacting section 1. This amendatory act does not take effect
27 unless Senate Bill No. ____ or House Bill No. 5830(request no.

1 04360'09 *) of the 95th Legislature is enacted into law.