

# SENATE BILL No. 1123

October 18, 2016, Introduced by Senators SCHUITMAKER, HORN and KNOLLENBERG  
and referred to the Committee on Regulatory Reform.

A bill to regulate the inspection, construction, installation, alteration, maintenance, repair, and operation of elevators and the licensing of elevator contractors, elevator journeymen, and elevator inspectors; to prescribe the powers and duties of the elevator safety board; to establish the powers and duties of certain state and local governmental officers and entities; to provide for the promulgation of rules; to provide for certain fees; to provide for penalties and civil fines; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

## ARTICLE 1

SHORT TITLE, DEFINITIONS, AND EFFECTS OF FORMER ACTS

Sec. 101. This act shall be known and may be cited as the

1 "elevator regulation act".

2 Sec. 103. As used in this act:

3 (a) "Administrative procedures act of 1969" means the  
4 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
5 24.328.

6 (b) "Board" means the elevator safety board.

7 (c) "Board files" means the records, memoranda, opinions,  
8 minutes, and similar written materials of the board.

9 (d) "Censure" means an expression of disapproval of a  
10 licensee's professional conduct, whether or not the conduct is a  
11 violation of this act or a rule promulgated or an order issued  
12 under this act.

13 (e) "Competence" means a degree of expertise that enables an  
14 individual to engage in an occupation at a level that meets or  
15 exceeds minimal standards of acceptable practice for the  
16 occupation.

17 (f) "Complaint" means a written grievance.

18 (g) "Completed application" means an application for  
19 licensure, renewal of a license, relicensure, a certificate of  
20 competency, or a certificate of operation under this act that is  
21 complete on its face, is submitted to the department on a form  
22 provided by the department, is signed by an individual who  
23 certifies that the application is complete and accurate, and is  
24 submitted with any applicable fees established by the department  
25 under section 207 and with any other information, records,  
26 approval, security, or similar item required by law or rule from a  
27 local unit of government, a federal agency, or a private entity but

1 not from another department or agency of this state.

2 (h) "Department" means the department of licensing and  
3 regulatory affairs.

4 (i) "Director" means the director of the department of  
5 licensing and regulatory affairs or his or her authorized  
6 representative.

7 (j) "Disability" means an infirmity that prevents a board  
8 member from performing a duty assigned to the board member.

9 Sec. 105. As used in this act:

10 (a) "Formal complaint" means a document that states the  
11 charges of each alleged violation and is prepared by the department  
12 or the department of attorney general after a complaint is received  
13 by the department.

14 (b) "General public" means each individual who resides in this  
15 state and is 18 years of age or older, other than an individual or  
16 the spouse of an individual who is licensed under this act or who  
17 has a material financial interest in an occupation that is  
18 regulated under this act.

19 (c) "Incompetence" means a departure from, or a failure to  
20 conform to, minimal standards of acceptable practice for an  
21 occupation.

22 (d) "Knowledge and skill" means the information, education,  
23 practical experience, and the facility in applying that  
24 information, education, and practical experience.

25 (e) "License" includes the whole or part of a governmental  
26 permit, certificate, approval, registration, charter, or similar  
27 form of permission required under this act.

1 (f) "Licensee" means an individual who is granted a license  
2 under this act.

3 (g) "Limitation" means a condition, stricture, constraint,  
4 restriction, or probation attached to a license that relates to the  
5 scope of practice of that occupation by the licensee. The term  
6 includes, but is not limited to, any of the following:

7 (i) A requirement that the licensee perform only specified  
8 functions of the licensee's occupation.

9 (ii) A requirement that the licensee perform the licensee's  
10 occupation only for a specified period of time.

11 (iii) A requirement that the licensee perform the licensee's  
12 occupation only within a specified geographical area.

13 (iv) A requirement that restitution be made or certain work be  
14 performed before a license is issued or renewed or the licensee is  
15 relicensed.

16 (v) A requirement that a licensee file a financial statement  
17 certified by an individual who is licensed as a certified public  
18 accountant under article 7 of the occupational code, 1980 PA 299,  
19 MCL 339.720 to 339.736, with the department at regular intervals.

20 (vi) A requirement that reasonably assures a licensee's  
21 competence to perform the licensee's occupation.

22 (vii) A requirement that all contracts of a licensee are  
23 reviewed by an attorney.

24 (viii) A requirement that a licensee have on file with the  
25 department a bond issued by a surety insurer that is approved by  
26 the department or cash in an amount determined by the department.

27 (ix) A requirement that a licensee deposit money received in

1 an escrow account from which money may be disbursed only under  
2 certain conditions as determined by the licensee and another party.

3 (x) A requirement that a licensee file reports with the  
4 department at intervals determined by the department.

5 Sec. 107. As used in this act:

6 (a) "Occupation" means a field of endeavor regulated under  
7 this act.

8 (b) "Person" means an individual, sole proprietorship,  
9 partnership, association, limited liability company, corporation,  
10 common law trust, or a combination of those legal entities. Person  
11 includes a department, board, school, institution, establishment,  
12 or governmental entity.

13 (c) "Probation" means a sanction that permits the board to  
14 evaluate over a period of time a licensee's fitness to practice an  
15 occupation regulated under this act.

16 (d) "Public access" means the right of a person to view and  
17 copy files under the freedom of information act, 1976 PA 442, MCL  
18 15.231 to 15.246.

19 (e) "Rule" means a rule authorized under this act and  
20 promulgated under the administrative procedures act of 1969.

21 Sec. 109. (1) An individual who holds a license on the day  
22 immediately preceding the effective date of this act that was  
23 issued under a former act is considered the holder of a license  
24 under this act until that license expires. An individual who holds  
25 a license described in this subsection may renew that license in  
26 the manner described in this act.

27 (2) An individual who holds an inspector's certificate of

1 competency on the day immediately preceding the effective date of  
2 this act that was issued under former 1967 PA 227 is considered the  
3 holder of a license as an elevator inspector under this act until  
4 the expiration date of that certificate. An individual who holds a  
5 certificate of competency described in this subsection may renew  
6 that certificate in the manner described in this act for renewal of  
7 an elevator inspector license.

8 (3) A certificate of operation for an elevator issued under  
9 former 1967 PA 227 and in effect on the day immediately preceding  
10 the effective date of this act is considered a certificate of  
11 operation issued under this act until that certificate of operation  
12 expires. A person may renew a certificate of operation described in  
13 this subsection in the manner described in this act.

14 (4) The elevator safety board created in former 1967 PA 227 is  
15 abolished. However, the members of the elevator safety board  
16 created in former 1967 PA 227 shall serve as the initial members of  
17 the elevator safety board under this act until the members of the  
18 elevator safety board are appointed under this act or until the  
19 expiration of their respective terms, whichever occurs first.

20 (5) Rules that were promulgated by the department or by the  
21 elevator safety board under a former act and were in effect on the  
22 day immediately preceding the effective date of this act shall  
23 continue in effect to the extent that they do not conflict with  
24 this act. The rules shall be enforced by and may be amended or  
25 rescinded by the department or the board under this act.

26 (6) As used in this section, "former act" means former 1967 PA  
27 227 or former 1976 PA 333.

## ARTICLE 2

## GENERAL PROVISIONS

Sec. 201. (1) An individual shall apply for a license, renewal of a license, relicensure, or a certificate of competency under this act by submitting a completed application that includes the appropriate fee or fees established under section 207.

(2) Subject to the exceptions described in section 203, the department shall grant a license to an individual who meets the licensure requirements set forth in this act and in rules promulgated under this act.

(3) The department shall establish the expiration date of licenses issued under this act by rule promulgated by the department under section 207. However, the department shall not issue, and the rules shall not permit the issuance of, a permanent license.

Sec. 202. An individual who holds a license or certificate of competency under this act shall report to the department a change of his or her name or address within 30 days after the change occurs.

Sec. 203. (1) The department may grant a license to an individual under this act if the individual demonstrates to the satisfaction of the department and the board, in the manner required under article 5, that the licensure requirements do not constitute a fair and adequate measure of the individual's knowledge and skills or that an examination required for licensure does not serve as an adequate basis for determining whether an individual could perform an occupation with competence.

1           (2) The department shall not grant and an individual shall not  
2 receive a license under this act until the department receives the  
3 individual's completed application, including the appropriate fee  
4 or fees established by the department under section 207.

5           (3) If the department does not grant a license under this  
6 section, the department shall notify the applicant of the denial in  
7 writing, and the applicant may appeal that decision to the board  
8 under the administrative procedures act of 1969.

9           (4) The department may grant a license under this act with a  
10 limitation. If the department intends to impose a limitation on the  
11 issuance of a license of an individual under this act, the  
12 department shall notify the board of its intent, and the department  
13 may impose the limitation only with the approval of the board.  
14 However, if the board, within 60 days after it receives  
15 notification by the department under this subsection, does not  
16 approve or disapprove of the imposition of the limitation, the  
17 department may impose the limitation. An individual who receives a  
18 license with a limitation may receive a review of the limitation  
19 under section 533.

20           Sec. 205. (1) Unless otherwise provided in this act and  
21 subject to the limitations set forth in this section, the  
22 department shall renew the license of an individual who fulfills  
23 all of the following requirements:

24           (a) Has applied for renewal by submitting a completed  
25 application for renewal, including the appropriate fee or fees  
26 established under section 207. The completed application for  
27 renewal, including the appropriate fee or fees, must be received by



1 the department on or before the date prescribed by the department  
2 for the expiration of the current license.

3 (b) Has met the renewal requirements set forth in this act, a  
4 rule promulgated under this act, or an order issued under this act.

5 (2) Except as otherwise provided in this act, the department  
6 may renew the license of an individual who does not meet the  
7 requirements for renewal if the individual demonstrates to the  
8 satisfaction of the department and the board, if applicable, in the  
9 manner required under article 5, that the requirements for renewal  
10 as set forth in this act or a rule promulgated under this act do  
11 not constitute a fair and adequate measure of the individual's  
12 knowledge and skills or that the requirements for renewal do not  
13 serve as an adequate basis for determining whether an individual  
14 could continue to perform an occupation with competence. However,  
15 if attendance in a continuing education program is a requirement  
16 for renewal of a license, the department shall not waive that  
17 requirement under this subsection.

18 (3) The department shall not grant a license under this act  
19 until the individual who is seeking renewal pays the appropriate  
20 fees established by rule promulgated by the department under  
21 section 207.

22 (4) If the department does not renew a license under this  
23 section, the department shall notify the applicant of the denial in  
24 writing, and the applicant may appeal that decision to the board  
25 under the administrative procedures act of 1969.

26 (5) The department may grant a license under this act with a  
27 limitation. If the department intends to impose a limitation on the

1 issuance of a license of an individual under this act, the  
2 department shall notify the board of its intent, and the department  
3 may impose the limitation only with the approval of the board.  
4 However, if the board, within 60 days after it receives  
5 notification by the department under this subsection, does not  
6 approve or disapprove of the imposition of the limitation, the  
7 department may impose the limitation. An individual who receives a  
8 license renewal with a limitation may receive a review of the  
9 limitation under section 533.

10 (6) It is the responsibility of the licensee to renew his or  
11 her license. The department shall send a renewal application form  
12 to the last known physical or electronic address of a licensee on  
13 file with the department. The failure of a licensee to notify the  
14 department of a change of address does not extend the expiration  
15 date of a license and may result in disciplinary action.

16 Sec. 207. (1) The department shall promulgate any rules it  
17 considers necessary and appropriate to implement and administer  
18 this act and to enable the department to fulfill its  
19 responsibilities under this act.

20 (2) The department shall promulgate rules to establish the  
21 fees for licenses, examinations, and inspections. The fees shall  
22 reflect the actual costs and expenses of the department in issuing  
23 licenses and conducting inspections. The fees in effect on the day  
24 immediately preceding the effective date of this act shall continue  
25 in effect until the department promulgates rules under this  
26 subsection.

27 (3) The department shall promulgate rules to establish the fee

1 schedules for items, including, but not limited to, variance  
2 requests, product approvals, or special inspections. The fees shall  
3 reflect the actual costs and expenses of the department for those  
4 items.

5 (4) The department may promulgate rules to set the minimal  
6 standards of acceptable practice for an occupation.

7 Sec. 209. (1) Before an examination or other test required  
8 under this act is administered and except as otherwise provided in  
9 this act, the department, in consultation with the board, shall  
10 review and approve the form and content of the examination or other  
11 test. The examination or test shall be structured to provide a  
12 measure of whether an individual has sufficient knowledge and  
13 skills to perform an occupation with competence.

14 (2) Except as otherwise provided in this act, subject to  
15 subsection (4), the department shall administer, score, and monitor  
16 an examination or test under this section.

17 (3) Except as otherwise provided in this act, subject to  
18 subsection (4), the department shall provide the equipment,  
19 examination room, written form, and any other item needed to  
20 administer an examination or test under this section.

21 (4) The department may enter into an agreement with an entity  
22 that is not an agency of a state or the federal government that  
23 authorizes the entity to fulfill the department's responsibilities  
24 under subsection (2) or (3). The department shall promulgate any  
25 rules it considers appropriate to implement and administer this  
26 subsection.

27 Sec. 211. The department shall have control over and physical

1 possession of the board files. The department shall ensure that  
2 applicable laws concerning public access to the board files are  
3 met.

4 Sec. 213. (1) The department shall furnish office services to  
5 the board and perform managerial, administrative, and budgetary  
6 functions for the board.

7 (2) The department shall appoint administrative and  
8 secretarial staff, clerks, and employees necessary for the proper  
9 exercise of the powers and duties of the board.

10 (3) The department, subject to any limitations imposed by the  
11 civil service commission, may fire, suspend, promote, demote, or  
12 transfer an individual who is providing administrative or  
13 secretarial service for the board.

14 Sec. 215. The department shall provide a comprehensive  
15 orientation program for each individual who is appointed and  
16 confirmed as a member of the board.

17 Sec. 217. The department shall prepare and publish an annual  
18 report describing the activities of the department and the board.  
19 The annual report shall be filed with the governor and the  
20 legislature.

21 Sec. 219. (1) If an individual has not previously been denied  
22 a license or had a license revoked or suspended, the department may  
23 grant a nonrenewable temporary license to an applicant for  
24 licensure under this act.

25 (2) If approved by the board, a temporary license that is  
26 granted under subsection (1) is valid until 1 or more of the  
27 following occur:

1 (a) The results of the next scheduled examination are  
2 available.

3 (b) The results of the next required evaluation procedure are  
4 available.

5 (c) A license is issued.

6 (d) The next examination date of an examination for licensure  
7 in the applicable occupation, if the applicant does not take the  
8 examination.

9 (e) The applicant fails to meet the requirements for a  
10 license.

11 (f) A change in employment is made.

12 (3) In addition to a temporary license under subsection (1),  
13 the department shall grant a temporary license for an occupation  
14 under this act to an individual who applies for a temporary license  
15 if the applicant meets all of the following:

16 (a) He or she provides proof acceptable to the department that  
17 he or she is married to an individual who is serving in the armed  
18 forces and is on active duty.

19 (b) He or she provides proof acceptable to the department that  
20 he or she holds a current license in good standing, or a current  
21 registration in good standing, in that occupation, issued by an  
22 equivalent licensing department, board, or authority, as determined  
23 by the department, in another state of the United States, the  
24 District of Columbia, Puerto Rico, the United States Virgin  
25 Islands, another territory or protectorate of the United States, or  
26 a foreign country.

27 (c) He or she provides proof acceptable to the department that

1 his or her spouse is assigned to a duty station in this state and  
2 that he or she is also assigned to a duty station in this state  
3 under his or her spouse's permanent change of station orders.

4 (4) A temporary license that is granted under subsection (1)  
5 is valid for 6 months and may be renewed for 1 additional 6-month  
6 term if the department determines the temporary licensee continues  
7 to meet the requirements of subsection (1) and needs additional  
8 time to fulfill the requirements for initial licensure in this  
9 state.

10 (5) If the department does not grant a temporary license under  
11 this section, the department shall notify the applicant of the  
12 denial in writing, and the applicant may appeal that decision to  
13 the board under the administrative procedures act of 1969.

14 (6) The department may place a limitation on a temporary  
15 license granted under this section.

16 Sec. 221. If the records of an applicant for licensure under  
17 this act related to the education or experience required under this  
18 act are unavailable from a foreign country, the applicant may, with  
19 the approval of the board and the department, take an examination  
20 or apply for a reciprocal license after submitting all of the  
21 following to the department:

22 (a) A notarized affidavit approved by the department that  
23 states the total number of years of education received, the name of  
24 the school or schools attended, the dates each school was attended,  
25 the degree obtained, the courses taken, the grades received, and  
26 the names of each former employer of the applicant.

27 (b) A notarized statement approved by the department from a

1 governmental official testifying to the unavailability of the  
2 necessary records.

3 ARTICLE 3

4 BOARDS GENERALLY

5 Sec. 301. (1) The elevator safety board is created in the  
6 department. The board shall consist of the director, who is a  
7 nonvoting, ex officio member of the board and is not a member for  
8 purposes of section 5 of article V of the state constitution of  
9 1963 or for determining a quorum, and 9 voting members as follows:

10 (a) One member who is a holder of a certificate of operation  
11 for an elevator.

12 (b) One member who represents insurance companies that are  
13 authorized to insure elevators in this state.

14 (c) One member who is a licensed elevator contractor and  
15 member of a union.

16 (d) One member who is a licensed elevator contractor and not a  
17 member of a union.

18 (e) One member who represents a city, village, township, or  
19 county in this state that has a population of at least 500,000  
20 according to the most recent decennial census.

21 (f) One member who is a licensed architect or consulting  
22 engineer.

23 (g) One member who represents the manufacturers of elevators  
24 used in this state.

25 (h) Two members who represent the general public.

26 (2) In addition to meeting any additional eligibility  
27 requirements under this act, each member of the board must be at

1 least 18 years old and a resident of this state.

2 Sec. 303. Each of the following applies to the appointment of  
3 a voting member of the board after the effective date of this act:

4 (a) The governor shall appoint an individual as a member of  
5 the board with the advice and consent of the senate, including an  
6 individual appointed to fill a vacancy on the board.

7 (b) In making an appointment, the governor shall seek  
8 nominations from a wide range of interested groups and persons,  
9 including appropriate professional associations, consumer  
10 associations, labor unions, and other organizations or individuals.

11 Sec. 305. Beginning on the effective date of this act, all of  
12 the following apply to the members of the board:

13 (a) Except for a member described in subdivision (b), the term  
14 of a member appointed to the board is 4 years.

15 (b) An individual who is appointed to fill a vacancy on the  
16 board that is the result of a member's resignation, death,  
17 disability, or removal for cause by the governor shall serve for  
18 the balance of the term of the member he or she replaced and he or  
19 she may be reappointed for not more than 2 full terms.

20 (c) A vacancy is filled in the same manner as the original  
21 appointment was made. The governor shall appoint an individual as a  
22 member of the board, subject to the advice and consent of the  
23 senate under section 303, within 60 days after a vacancy occurs and  
24 within 60 days after the senate disapproves an appointment by the  
25 governor.

26 (d) The governor may remove a member of the board under  
27 section 10 of article V of the state constitution of 1963.



1 (e) Except as provided in subdivision (b), the governor shall  
2 not appoint an individual to serve for more than 2 consecutive  
3 terms.

4 Sec. 309. Annually, the legislature shall fix the per diem  
5 compensation of a member of the board. Travel or other expenses  
6 incurred by a member of the board in the performance of an official  
7 function is payable by the department under the standardized travel  
8 regulations of the department of technology, management, and  
9 budget.

10 Sec. 311. All of the following apply to the meetings of the  
11 board:

12 (a) The board shall meet as often as necessary to fulfill its  
13 duties under this act, but shall meet at least once a year and at  
14 other dates set by the director.

15 (b) A majority of the voting members appointed and serving on  
16 the board constitute a quorum.

17 (c) A member of the board shall not vote by proxy.

18 (d) The board shall conduct its meetings pursuant to the open  
19 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

20 Sec. 313. All of the following apply to the operation of the  
21 board:

22 (a) Annually, the board shall elect a chairperson, a vice-  
23 chairperson, and any other officers the board determines are  
24 necessary. The board may fill a vacancy in an office of the board  
25 for the balance of the 1-year term.

26 (b) The board may adopt bylaws for the regulation of its  
27 internal affairs.

1 (c) The board shall report its activities to the department  
2 annually and as often as the director orders.

3 Sec. 315. (1) The board shall be within the department.

4 (2) The board's duties shall include the interpretation of a  
5 licensure or permit requirement of this act, and, if necessary, the  
6 furnishing of aid in an investigation conducted under article 5. At  
7 the discretion of the board, a member of the board may attend an  
8 informal conference conducted under section 515. The board shall  
9 assist the department in the implementation of this act.

10 Sec. 317. After completion of a hearing conducted under  
11 section 519, the board shall assess a penalty or penalties under  
12 article 6.

13 Sec. 319. The board shall aid the department in interpreting a  
14 licensure or permit requirement described in this act that is  
15 incomplete or subjective in nature to determine whether the  
16 individual who is seeking a license or permit or a renewal has met  
17 the requirements for the issuance or renewal.

18 Sec. 321. (1) The department, in consultation with the board,  
19 shall develop an examination or test required for licensure under  
20 this act. The department in developing an examination or test may  
21 adopt an examination or test prepared by another agency if the  
22 department, in consultation with the board, determines that the  
23 examination or test serves as a basis for determining whether an  
24 individual has the knowledge and skills to perform an occupation  
25 with competence.

26 (2) The material required by the board and the department to  
27 develop an examination or test may be considered by the board in a

1 closed session, if the board meets the requirements of section 7 of  
2 the open meetings act, 1976 PA 267, MCL 15.267.

3 Sec. 323. (1) The board shall surrender control and physical  
4 possession of any board files to the department.

5 (2) The board, until the department determines otherwise,  
6 shall utilize the personnel, office space, and items or equipment  
7 that were utilized by the board under former 1967 PA 227 and that  
8 are needed for the board to function.

9 ARTICLE 4

10 LICENSE FEES

11 Sec. 401. (1) By rule promulgated under section 207, the  
12 department shall establish the specific amounts of the fees charged  
13 for licenses, permits, and other activities under this act.

14 (2) If a license is lost or destroyed, and if the department  
15 receives an application and the applicable fee, the department  
16 shall issue a new license to replace it, without another  
17 examination.

18 (3) If the department receives an application and the  
19 applicable fee, the department shall issue a license verification  
20 for a current license that is granted under this act.

21 (4) If the department receives a request in writing for a  
22 replacement elevator serial plate or elevator tag number, and an  
23 appropriate fee established by rule, the department shall issue a  
24 replacement elevator serial plate or elevator tag number.

25 Sec. 403. (1) This act does not prohibit a person that has a  
26 contract with the department, or any other person that provides  
27 direct services to an applicant or licensee, from collecting fees

1 directly from that applicant or licensee.

2 (2) If the department terminates a contract with a person that  
3 has been administering a licensing examination to applicants for  
4 licensure in a specific occupation, and the department itself  
5 begins to administer the examination, the department shall not  
6 charge an applicant a fee that is greater than the fee charged  
7 under the terminated contract, unless the examination fee for that  
8 occupation is increased by rule promulgated by the department under  
9 section 207.

10 Sec. 405. An applicant must include a nonrefundable  
11 application processing fee with an application for a license. The  
12 department may also require that applicant include with the  
13 application any fee required for an examination or inspection or  
14 the fee for the initial license period.

15 Sec. 407. (1) An individual who is required to take an  
16 examination shall pay an examination fee before being scheduled for  
17 an examination.

18 (2) An individual who is scheduled for examination or  
19 reexamination and who fails to appear shall forfeit the examination  
20 fee.

21 (3) An individual who fails all or part of an examination may  
22 be reexamined, if eligible, after paying the fee for the complete  
23 examination or those parts of the examination he or she failed, as  
24 applicable.

25 (4) The department shall publish in its application  
26 instructions the deadline by which it must receive an application  
27 in order for an applicant to be scheduled for a required

1 examination.

2       Sec. 409. (1) Except as otherwise provided in section 411, the  
3 department shall not grant a license to an individual who has  
4 completed the requirements for a license or who seeks to renew a  
5 license until the individual has paid the license fee.

6       (2) The department shall establish license fees on a per year  
7 basis. If licenses are established by rules promulgated by the  
8 department under section 207 as biennial or triennial renewals, the  
9 fee required shall be 2 or 3 times, as appropriate, the per year  
10 amount.

11       (3) Unless otherwise provided under this act or rules  
12 promulgated under this act, an applicant must complete all  
13 requirements for licensure within 1 year after the department  
14 received the license application or the department mails a notice  
15 of an incomplete application to the applicant at the applicant's  
16 last known physical or electronic address on file with the  
17 department, whichever is later. If the requirements for licensure  
18 are not completed within that period, the fees paid are forfeited  
19 to the department and the application is void. To obtain a license  
20 under this act, an individual whose application is void under this  
21 subsection must submit a new application and fees and meet the  
22 requirements of this act and rules promulgated under this act that  
23 are in effect on the date the department receives the new  
24 application.

25       Sec. 411. (1) Subject to subsection (2), an individual who  
26 fails to renew a license on or before the expiration date of the  
27 license shall not practice the occupation, operate, or use the

1 title of that occupation after that date. A license shall lapse on  
2 the day after the expiration date.

3 (2) An individual who fails to renew a license on or before  
4 the expiration date is permitted to renew the license by payment of  
5 the required license fee and a late renewal fee within 60 days  
6 after the expiration date.

7 (3) Except as otherwise provided in this act, the department  
8 shall relicense an individual who fails to renew a license within  
9 the time period set forth in subsection (2), without examination  
10 and without meeting additional education or training requirements  
11 in force at the time of application for relicensure, if all of the  
12 following conditions are met:

13 (a) The individual applies within 3 years after the expiration  
14 date of the last license.

15 (b) The individual pays an application processing fee, the  
16 late renewal fee, and the per year license fee for the upcoming  
17 licensure period.

18 (c) Any penalties or conditions imposed by disciplinary action  
19 in this state or any other jurisdiction have been satisfied.

20 (4) Except as otherwise provided in this act, the department  
21 shall relicense an individual whose last license expired 3 or more  
22 years before the application for relicensure if the individual  
23 shows that he or she meets the requirements for licensure  
24 established by the department in rules or procedures. The rules or  
25 procedures may require that an individual pass all or part of a  
26 required examination, complete continuing education requirements,  
27 or meet current education or training requirements.

1           (5) Unless otherwise provided in this act, an individual who  
2 seeks relicensure shall file a completed application on a form  
3 provided by the department, pay the application processing fee, and  
4 file a petition with the department and the board stating reasons  
5 for relicensure and including evidence that the individual can and  
6 is likely to serve the public in the regulated activity with  
7 competence and in conformance with all other requirements  
8 prescribed by law, rule, or an order of the department or board.  
9 The department shall review a petition for relicensure in the  
10 manner described in article 5. If approved for relicensure, the  
11 individual shall pay the per year license fee for the upcoming  
12 license period if appropriate.

13           (6) If the department does not grant relicensure under this  
14 section, the department shall notify the applicant of the denial in  
15 writing, and the applicant may appeal that decision to the board  
16 under the administrative procedures act of 1969.

17           (7) Notwithstanding any provision in this act to the contrary,  
18 an individual or qualifying officer who is a licensee under this  
19 act and who is on active duty in the armed forces of the United  
20 States is temporarily exempt from any renewal license fee,  
21 continuing education requirements, or other related requirements of  
22 this act applicable to that license. It is the obligation of the  
23 licensee to inform the department by written or electronic mail of  
24 the desire to exercise the temporary exemption under this  
25 subsection. If the licensee applying for the temporary exemption is  
26 the individual responsible for supervision and oversight of  
27 licensed activities, the licensee shall provide notice of

1 arrangements for adequate provision of that supervision and  
2 oversight to the department. The licensee shall accompany the  
3 request with proof, as determined by the department, to verify the  
4 mobilized duty status. If it receives a request for a temporary  
5 exemption under this subsection, the department shall make a  
6 determination of the requestor's status and grant the temporary  
7 exemption after verification of mobilized duty status under this  
8 subsection. A temporary exemption is valid until 90 days after the  
9 licensee's release from the mobilized duty on which the exemption  
10 was based, but shall not exceed 36 months from the date of  
11 expiration of the license.

12       Sec. 413. (1) It is a condition of licensure, renewal, or  
13 relicensure that all fees and fines owed to the department are  
14 paid.

15       (2) It is a condition to obtaining a permit that all fees and  
16 fines owed to the department are paid, including, but not limited  
17 to, current and previous permit fees, inspection fees, plan review  
18 fees, and administrative fines.

19       (3) The amounts owed for permitting, inspections, plan review,  
20 and administrative fines shall become a lien on the real property  
21 90 days after issuance if not paid. The lien for those amounts, and  
22 for all interest and penalties on those amounts, shall continue  
23 until paid.

24       Sec. 415. The department shall waive the fee for an initial  
25 license that is otherwise required under this act, or an  
26 application processing fee charged by the department for an initial  
27 license, if the applicant is an individual who served in the armed



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

6 Sec. 417. All fees and money received by the department for  
7 the licensing of individuals under this act, and any other income  
8 the department receives under this act, shall be paid into the  
9 state construction code fund created in section 22 of the Stille-  
10 DeRossett-Hale single state construction code act, 1972 PA 230, MCL  
11 125.1522.

## 12 ARTICLE 5

### 13 COMPLAINTS, INVESTIGATIONS, AND ADMINISTRATIVE PROCEEDINGS

14 Sec. 501. A complaint that alleges that a person has violated  
15 this act or a rule promulgated or an order issued under this act  
16 shall be submitted to the department. The department of attorney  
17 general, the department, the board, or any other person may file a  
18 complaint.

19 Sec. 503. If it receives a complaint, the department shall  
20 immediately begin an investigation of the allegations of the  
21 complaint and shall open a correspondence file. Within 15 days  
22 after it receives a complaint, the department shall make a written  
23 acknowledgment of the complaint to the person that made the  
24 complaint. If the complaint is made by the department, the director  
25 shall designate 1 or more employees of the department to act as the  
26 person that made the complaint.

27 Sec. 505. The department shall conduct the investigation

1 required under section 503. In furtherance of that investigation,  
2 the department may request that the attorney general petition a  
3 circuit court of this state to issue a subpoena that requires an  
4 individual to appear before the department and be examined with  
5 reference to a matter within the scope of the investigation and to  
6 produce books, papers, or documents pertaining to the  
7 investigation.

8       Sec. 507. (1) The investigative unit of the department, within  
9 30 days after the department receives the complaint, shall report  
10 to the director on the status of the investigation. If, for good  
11 cause shown, an investigation cannot be completed within 30 days,  
12 the director may extend the time in which a report may be filed.  
13 The total number of extensions permitted under this section shall  
14 be included in the report required under section 217.

15       (2) If the report of the investigative unit of the department  
16 does not disclose a violation of this act or a rule promulgated or  
17 an order issued under this act, the department shall close the  
18 complaint. The department shall forward the reasons for closing the  
19 complaint to the respondent and complainant, who then may provide  
20 additional information to reopen the complaint.

21       (3) If the report of the investigative unit made under  
22 subsection (1) discloses evidence of a violation of this act or a  
23 rule promulgated or an order issued under this act, the department  
24 or the department of attorney general shall prepare the appropriate  
25 action against the respondent which may be any of the following:

26       (a) A formal complaint.

27       (b) A cease and desist order.

1 (c) A notice of summary suspension.

2 (d) A citation.

3 Sec. 509. (1) After an investigation is conducted, the  
4 department may issue an order summarily suspending a license that  
5 is granted under this act based on an affidavit by an individual  
6 who is familiar with the facts set forth in the affidavit, or, if  
7 appropriate, based on an affidavit made on information and belief,  
8 that an imminent threat to the public health, safety, and welfare  
9 exists. After a summary suspension order is issued under this  
10 section, the department shall promptly commence the administrative  
11 proceedings described in this article to determine what additional  
12 administrative action is appropriate.

13 (2) If an individual's license is summarily suspended under  
14 this section, the individual may petition the department to  
15 dissolve the order. If it receives a petition under this  
16 subsection, the department shall immediately schedule a hearing to  
17 decide whether to grant or deny the request to dissolve the order.

18 (3) An administrative law hearings examiner shall grant a  
19 request to dissolve a summary suspension order made under  
20 subsection (2), unless sufficient evidence is presented that an  
21 imminent threat to the public health, safety, and welfare exists  
22 that requires emergency action and continuation of the director's  
23 summary suspension order.

24 (4) The record created at the hearing to dissolve a summary  
25 suspension order shall become part of the record on the complaint  
26 at a subsequent hearing in a contested case.

27 Sec. 511. (1) After an investigation is conducted, the

1 director may order a person to cease and desist from a violation of  
2 this act or a rule promulgated or an order issued under this act.

3 (2) A person that is ordered to cease and desist under  
4 subsection (1) is entitled to a hearing before the department if a  
5 written request for a hearing is filed within 30 days after the  
6 effective date of the order.

7 (3) If a cease and desist order issued under this section is  
8 violated, the department of the attorney general may apply in a  
9 circuit court of this state to restrain and enjoin, temporarily or  
10 permanently, or both, a person from further violating the cease and  
11 desist order.

12 Sec. 513. A summary suspension order, cease and desist order,  
13 or injunctive relief issued or granted in relation to a license or  
14 permit issued under this act is in addition to and not in place of  
15 an informal conference; criminal prosecution; or proceeding to  
16 deny, revoke, suspend, or place a limitation on, a license or  
17 permit or any other action authorized under this act.

18 Sec. 515. (1) After an investigation is conducted and a formal  
19 complaint is prepared, the department shall serve the formal  
20 complaint on the respondent and the complainant. At the same time,  
21 the department shall serve the respondent with a notice that  
22 describes the compliance conference and hearing processes and  
23 offers the respondent a choice of 1 of the following opportunities:

24 (a) An opportunity to meet with the department to negotiate a  
25 settlement of the matter.

26 (b) If the respondent is a licensee under this act, an  
27 opportunity to demonstrate compliance before a contested case

1 hearing is held, as required under section 92 of the administrative  
2 procedures act of 1969, MCL 24.291.

3 (c) An opportunity to proceed to a contested case hearing  
4 under section 71 of the administrative procedures act of 1969, MCL  
5 24.271.

6 (2) A respondent that is served with notice of a formal  
7 complaint under this section may select, within 15 days after the  
8 respondent receives the notice, 1 of the options described in  
9 subsection (1). If a respondent does not select 1 of those options  
10 within the time period described in this subsection, then the  
11 department shall proceed to a contested case hearing as described  
12 in subsection (1)(c).

13 (3) An informal conference may be attended by a member of the  
14 board, at the discretion of the board, and may result in a  
15 settlement, consent order, waiver, default, or other method of  
16 settlement agreed on by the parties and the department. A  
17 settlement may include the revocation, suspension, or limitation of  
18 a license; censure; probation; restitution; or a penalty under  
19 article 6.

20 (4) The board may reject a settlement and require a contested  
21 case hearing under section 71 of the administrative procedures act  
22 of 1969, MCL 24.271.

23 (5) An authorized employee or agent of the department may  
24 represent the department in any contested case hearing held under  
25 the administrative procedures act of 1969.

26 Sec. 517. This act does not prevent a person against which a  
27 complaint is filed from showing compliance with this act, or a rule

1 promulgated or an order issued under this act, under section 92 of  
2 the administrative procedures act of 1969, MCL 24.292.

3 Sec. 519. If an informal conference is not held or does not  
4 result in a settlement of a complaint, the department shall hold a  
5 hearing under section 92 of the administrative procedures act of  
6 1969, MCL 24.292. A member of the board may attend a hearing under  
7 this section.

8 Sec. 521. The department or the department of the attorney  
9 general may petition a circuit court to issue a subpoena that  
10 requires the individual subpoenaed to appear or testify or produce  
11 relevant documentary material for examination at a proceeding  
12 conducted under section 515 or 519.

13 Sec. 523. (1) At the conclusion of a hearing conducted under  
14 section 519, the administrative law hearings examiner shall submit  
15 a determination of findings of fact and conclusions of law to the  
16 department and the department of the attorney general and the board  
17 in a hearing report. The submitted hearing report may recommend the  
18 assessment of penalties under article 6.

19 (2) The department shall submit a copy of a hearing report  
20 described in subsection (1) to the person that made the complaint  
21 and to the person against which the complaint was lodged.

22 Sec. 525. (1) Within 60 days after the board receives an  
23 administrative law hearings examiner's hearing report under section  
24 523, the board shall meet and make a determination of the penalties  
25 to be assessed under article 6. The board shall make its  
26 determination based on the administrative law hearings examiner's  
27 report. A transcript of a hearing or a portion of the transcript

1 shall be made available to the board on request. If a transcript or  
2 a portion of the transcript is requested, the board shall make its  
3 determination of the penalty or penalties to be assessed under  
4 article 6 at a meeting of the board held within 60 days after it  
5 receives the transcript or portion of the transcript.

6 (2) If the board does not determine the appropriate penalty or  
7 penalties to be assessed within the time limits described in  
8 subsection (1), the director may determine the appropriate penalty  
9 and issue a final order assessing that penalty.

10 (3) A member of the board who has participated in an  
11 investigation on a complaint filed with the department or who has  
12 attended an informal conference shall not participate in making a  
13 final determination in a proceeding on that complaint.

14 Sec. 527. An individual who is seeking a license or renewal  
15 under this act may petition the department and the board for a  
16 review if that individual does not receive a license or renewal.

17 Sec. 529. A petition submitted under section 527 shall be in  
18 writing and shall set forth the reasons the petitioner believes  
19 that the department should issue the license or permit.

20 Sec. 531. The department may grant a license or renewal for an  
21 occupation regulated under this act, if, based on a review of the  
22 qualifications of the individual who submitted a petition under  
23 section 527, the department determines that the individual could  
24 perform the occupation with competence.

25 Sec. 533. (1) If a limitation is placed on a license or the  
26 renewal of a license under section 203 or 205, the licensee, within  
27 30 days after the limitation is placed on the license or renewal of

1 the license, may petition the department in writing for a review of  
2 the decision to place the limitation.

3 (2) The department, in reply to a petition submitted under  
4 subsection (1), shall set forth the reasons the department  
5 determined that the limitation should be placed on the license or  
6 renewal of a license. The department shall send its reply to a  
7 petition submitted under subsection (1) to the petitioner within 15  
8 days after the department receives the petition.

9 (3) The department and the board may remove a limitation on a  
10 license or renewal of a license, if, based on a review of the  
11 petitioner's qualifications, the department and the board determine  
12 that the individual who submitted a petition under subsection (1)  
13 could perform with competence each function of the occupation  
14 without the limitation.

15 Sec. 535. Notwithstanding any other provision of this act, if  
16 an oral or written grievance was lodged before the effective date  
17 of this act against a person that is licensed under a former act,  
18 the department shall conduct the proceedings on that grievance in  
19 the manner prescribed in the former act. As used in this section,  
20 "former act" means that term as defined in section 109.

21 Sec. 537. (1) An employee of the department may issue a  
22 citation to an individual who is licensed under this act or  
23 required to obtain a license under this act if the employee  
24 observes or deduces from an investigation, inspection, or complaint  
25 that conduct or conditions exist or have existed that violate this  
26 act or rules promulgated or orders issued under this act.

27 (2) The department may send a citation to a respondent by



1 certified mail, return receipt requested, or by electronic mail if  
2 the department has an electronic mail address for the respondent on  
3 file, or the employee of the department who issued the citation may  
4 deliver it in person.

5 (3) A citation shall contain all of the following:

6 (a) The date of the citation.

7 (b) The name and title of the employee of the department who  
8 issued the citation.

9 (c) The name and address of the respondent, and a statement  
10 indicating that the respondent is being cited for a violation of  
11 the act or rules promulgated or orders issued under the act.

12 (d) A brief description of the conduct or conditions that the  
13 employee of the department who issued the citation considers a  
14 violation of the act or rules or orders issued under this act and a  
15 reference to the section of this act, the rule, or the order the  
16 respondent is alleged to have violated.

17 (e) The proposed penalties or actions required for compliance,  
18 including the payment of a fine in an amount that does not exceed  
19 \$100.00 for each violation.

20 (f) A space for the respondent to sign as a receipt for the  
21 citation.

22 (g) A space where the respondent may accept the citation and  
23 agree to comply or may indicate that the violation contained in the  
24 citation is contested.

25 (h) A notice that the respondent must accept or reject the  
26 terms of the citation within 30 days.

27 (i) A brief description of the hearing process and the process

1 for settlement through an informal conference under section 515.

2 (4) As used in this section, "employee of the department"  
3 means an individual who is employed by the department, or a person  
4 that is under contract to the department, whose duty it is to  
5 enforce the provisions of this act or rules promulgated or orders  
6 issued under this act.

7 Sec. 539. (1) A respondent has 30 days to notify the  
8 department in writing that the person accepts the conditions  
9 described in a citation or that the person does not admit to the  
10 violation alleged in the citation.

11 (2) If a respondent accepts the conditions described in a  
12 citation under subsection (1), the respondent, within 30 days after  
13 receiving the citation, shall sign the citation and return it to  
14 the department along with any fine or other material the respondent  
15 is required to submit under the terms of the citation. The  
16 department shall place the citation and accompanying material in  
17 the person's records with the department, and include in those  
18 records the nature of the violation and that the person accepted  
19 the conditions imposed. A citation issued under this section has  
20 the same force and effect as a final order issued by the board and  
21 may be disclosed to the public. If the department does not take any  
22 additional disciplinary actions against the person within 5  
23 calendar years after the citation is issued, the department shall  
24 remove the citation and accompanying material from its records. If  
25 requested by the respondent, the department shall place a 1-page  
26 explanation prepared by the respondent in the department's files  
27 and shall disclose the explanation each time the department

1 discloses the issuance of the citation.

2 (3) If the respondent does not admit to the violation alleged  
3 in a citation, the person may so state on the citation and return 1  
4 copy to the department within the 30 days after the respondent  
5 receives the citation. If a respondent returns a copy of the  
6 citation that includes this statement within the 30-day time  
7 period, the citation is considered a formal complaint under section  
8 515 and the administrative process described in that section shall  
9 be invoked.

10 Sec. 541. If a citation is signed as an indication that the  
11 respondent received the citation, the signature is considered a  
12 receipt of the citation and not an admission to the violation  
13 alleged in the citation.

#### 14 ARTICLE 6

#### 15 PENALTIES AND REMEDIES

16 Sec. 601. (1) An individual shall not engage in or attempt to  
17 engage in the practice of an occupation regulated under this act or  
18 use a title designated in this act unless the individual possesses  
19 a license that is granted by the department for the occupation.

20 (2) Subject to section 411, an individual whose license is  
21 suspended, revoked, or lapsed, as determined by the records of the  
22 department, is considered unlicensed.

23 (3) An individual who violates subsection (1) is guilty of a  
24 misdemeanor punishable by a fine of not more than \$500.00 or  
25 imprisonment for not more than 90 days, or both.

26 (4) An individual who violates subsection (1) a second time is  
27 guilty of a misdemeanor punishable by a fine of not more than

1 \$1,000.00 or imprisonment for not more than 1 year, or both.

2 (5) An individual who violates subsection (1) a third or  
3 subsequent time is guilty of a felony punishable by a fine of not  
4 more than \$25,000.00 or imprisonment for not more than 5 years, or  
5 both.

6 (6) The remedies or penalties imposed for a violation of  
7 subsection (1) may include a requirement that restitution be made,  
8 based on proofs submitted to and findings made by the trier of fact  
9 as provided by law.

10 (7) Notwithstanding the existence and pursuit of any other  
11 remedy or penalty, an affected person may pursue an action for  
12 injunctive relief to restrain or prevent an individual from  
13 violating subsection (1). If successful in obtaining injunctive  
14 relief, the affected person is entitled to actual costs and  
15 attorney fees. As used this subsection, "affected person" means a  
16 person that is directly affected by the actions of an individual  
17 who is suspected of violating subsection (1) and includes, but is  
18 not limited to, a licensee, the board, the department, a person  
19 that has utilized the services of the individual who is suspected  
20 of violating subsection (1), or a private association that is  
21 composed primarily of members of the occupation in which the  
22 individual is engaging in or attempting to engage in or in which  
23 the individual is using a title designated under this act without a  
24 license under this act.

25 (8) An investigation may be conducted under article 5 to  
26 enforce this section. A person that violates this section is  
27 subject to this section and sections 511, 603, and 611.

1           (9) The department, the attorney general, or a county  
2 prosecutor may utilize forfeiture as a remedy in the manner  
3 provided for in section 613.

4           (10) The remedies under this section are independent and  
5 cumulative. The use of 1 remedy by a person does not bar the use of  
6 other lawful remedies by that person or the use of a lawful remedy  
7 by another person.

8           (11) If a conviction under subsection (4) or (5) is entered by  
9 a court, the court shall notify the department by mail, facsimile  
10 transmission, or electronic mail.

11           (12) The attorney general or the prosecuting attorney of a  
12 county may bring an action in a court of competent jurisdiction to  
13 enforce this section.

14           Sec. 603. If a person violates this act or a rule or order  
15 promulgated or issued under this act, the department shall assess 1  
16 or more of the following penalties:

17           (a) Placement of a limitation on a license.

18           (b) Suspension of a license.

19           (c) Denial of a license or renewal of a license.

20           (d) Revocation of a license.

21           (e) If the individual is licensed under this act and except as  
22 otherwise provided in this act, an administrative fine to be paid  
23 to the department of not more than \$10,000.00.

24           (f) Censure.

25           (g) Probation.

26           (h) A requirement for the payment of restitution, based on  
27 proof submitted to and findings made by the hearing examiner after

1 a contested case.

2 Sec. 605. If payment of restitution is required under section  
3 603, the department may suspend the license of the individual who  
4 is required to pay the restitution until the restitution is made.

5 Sec. 607. A person that violates 1 or more of the provisions  
6 of this act or that commits 1 or more of the following is subject  
7 to the penalties described in section 603:

8 (a) Practices fraud or deceit in obtaining a license.

9 (b) Practices fraud, deceit, or dishonesty in practicing an  
10 occupation.

11 (c) Violates a rule of conduct of an occupation.

12 (d) Commits an act of gross negligence in practicing an  
13 occupation.

14 (e) Practices false advertising.

15 (f) Commits an act that demonstrates incompetence.

16 (g) Violates any other provision of this act or a rule  
17 promulgated under this act for which a penalty is not otherwise  
18 prescribed.

19 (h) Fails to comply with a subpoena issued under this act.

20 (i) Fails to respond to a citation under section 539.

21 (j) Violates or fails to comply with a final order issued by  
22 the board, including a stipulation, settlement agreement, or a  
23 citation.

24 (k) Aids or abets an individual in the unlicensed practice of  
25 an occupation.

26 Sec. 609. If the parties in a contested case under article 5  
27 agree to any fact involved in the controversy by stipulation or

1 there is a finding of fact and conclusion of law in an action under  
2 that article that a person has violated this act, the hearings  
3 examiner shall assess costs related to the investigation of the  
4 violation and costs related to the prosecution of the action. The  
5 costs related to the investigation and prosecution include, but are  
6 not limited to, salaries and benefits of personnel, costs related  
7 to the time spent by the attorney general's office and other  
8 personnel working on the action, and any other expenses incurred by  
9 the department for the action.

10 Sec. 611. (1) The department may bring any appropriate action,  
11 including mediation or other alternative dispute resolution, in the  
12 name of the people of this state to carry out this act and to  
13 enforce this act.

14 (2) If the attorney general considers it necessary, the  
15 attorney general shall intervene in and prosecute any case that  
16 arises under this act.

17 (3) This section does not prohibit the department from  
18 bringing any civil, criminal, or administrative action for the  
19 enforcement of section 601.

20 (4) The department has standing to bring an administrative  
21 action or to directly bring an action in a court of competent  
22 jurisdiction regarding the unlicensed practice of an occupation  
23 regulated under this act.

24 Sec. 613. The department, the attorney general, and a county  
25 prosecutor may utilize the forfeiture provisions of chapter 47 of  
26 the revised judicature act of 1961, 1961 PA 236, MCL 600.4701 to  
27 600.4710, for items seized and determined to be proceeds of a

1 crime, substituted proceeds of a crime, or the instrumentality of a  
2 crime as those terms are defined in section 4701 of the revised  
3 judicature act of 1961, 1961 PA 236, MCL 600.4701.

4 ARTICLE 7

5 ELEVATOR LICENSES, PERMITS, AND INSPECTIONS

6 Sec. 701. As used in this article:

7 (a) "Certificate of operation" means a certificate of  
8 operation that is issued by the department under section 717.

9 (b) "Elevator" means the machinery, construction, apparatus,  
10 and equipment of an incline lift, escalator, moving walk, or device  
11 that serves 2 or more landings and is used in raising and lowering  
12 a guided car, cage, or platform. The term includes a passenger  
13 elevator, freight elevator, gravity elevator, workmen's elevator,  
14 manlift, or other lifting or lowering apparatus that is guided. The  
15 term does not include any of the following:

16 (i) An elevating device that is subject to the authority of  
17 the inspectors of mines under 1911 PA 163, MCL 425.101 to 425.113.

18 (ii) A feeding machine or belted bucket, scoop, roller, or any  
19 similar type of freight conveyor.

20 (iii) A lubrication hoist or other similar mechanism.

21 (iv) A piling or stacking machine that is used within 1 story  
22 and does not penetrate a floor.

23 (v) An elevator, dumbwaiter, or incline lift that is located  
24 in a private, single-family dwelling.

25 (vi) An outside material hoist that is used for raising or  
26 lowering construction materials while a building or structure is  
27 under construction and is subject to the Michigan occupational



1 safety and health act, 1974 PA 154, MCL 408.1001 to 408.1094, and  
2 the rules promulgated under that act.

3 (c) "Elevator contractor" means an individual who is engaged  
4 in the business of constructing, installing, maintaining,  
5 repairing, or altering elevators, including the installing or  
6 maintaining of electric wiring, fixtures, apparatus, and appliances  
7 in connection with the operation or control of elevators.

8 (d) "Elevator contractor license" means a license that is  
9 granted by the director that authorizes the licensee to engage in  
10 the business of an elevator contractor at a single location in this  
11 state.

12 (e) "Elevator inspector" means an individual who is licensed  
13 under section 705 to perform, or to provide supervision in the  
14 performance of, the work of installation, alteration, maintenance,  
15 repair, servicing, adjusting, inspecting, or testing of elevators.

16 (f) "Elevator journeyman" means an individual who is qualified  
17 and licensed under this article to perform, or to provide  
18 supervision in the performance of, the work of installation,  
19 alteration, maintenance, repair, servicing, adjusting, inspecting,  
20 or testing of elevators.

21 (g) "Incline lift" means an elevator that is designed and  
22 operated for the conveyance of individuals or material from 1 level  
23 to another. The term does not include the enclosure or building in  
24 which the incline lift is located, or a ski lift that is defined in  
25 and subject to the ski area safety act of 1962, 1962 PA 199, MCL  
26 408.321 to 408.344.

27 (h) "Major alteration" means any work other than an exact

1 replacement of an elevator part or component, any change to the  
2 elevator cab, hoistway, mechanical room, elevator room, or elevator  
3 pit, or any other alteration defined as a major alteration in a  
4 standard approved by the department.

5 (i) "Repairs" means only the work that is necessary to  
6 maintain present equipment in a safe and serviceable condition; and  
7 to adjust or replace defective, broken, or worn parts with parts  
8 that are made of equivalent material, strength, and design, and  
9 that perform the same function as the replaced part.

10 Sec. 703. This act does not apply in the jurisdiction of a  
11 city that has a population of 500,000 or more according to the most  
12 recent decennial census and has adopted an ordinance that includes  
13 requirements that are comparable to this act and the rules  
14 promulgated under this act.

15 Sec. 705. (1) An individual must meet all of the following  
16 requirements to obtain a license as an elevator journeyman:

17 (a) Be at least 18 years of age.

18 (b) Have a high school diploma or its equivalent.

19 (c) Have passed the examination required by the department to  
20 test the applicant's qualifications to perform, or to provide  
21 supervision in the performance of, the work of installation,  
22 alteration, maintenance, repair, servicing, adjusting, inspecting,  
23 or testing of elevators.

24 (d) Provide evidence of at least 3 years of continuous  
25 employment as an elevator constructor, serviceman, maintenance man,  
26 or repairman. This experience must consist of work performed that  
27 complies with the requirements of this article and rules

1 promulgated under this act.

2 (2) An individual must meet all of the following requirements  
3 to obtain a license as an elevator contractor:

4 (a) Be at least 18 years of age.

5 (b) Have a high school diploma or its equivalent.

6 (c) Have passed the examination required by the department to  
7 test the applicant's qualifications to engage in constructing,  
8 installing, maintaining, repairing, or altering elevators,  
9 including the installing or maintaining of electric wiring,  
10 fixtures, apparatus, and appliances in connection with the  
11 operation or control of elevators, or provide equivalent proof of  
12 qualification acceptable to the department.

13 (d) Provide evidence of at least 7 years of experience as an  
14 elevator journeyman, or equivalent experience acceptable to the  
15 department.

16 (3) An individual must meet all of the following requirements  
17 to obtain a license as an elevator inspector:

18 (a) Have passed the examination required by the department to  
19 test the applicant's qualifications to inspect elevators.

20 (b) Provide evidence of at least 3 years of experience as an  
21 elevator constructor, serviceman, maintenance man, or repairman.

22 (c) Provide at least 1 reference from a previous employer that  
23 certifies to the applicant's experience.

24 (4) The department may consider a degree in electrical or  
25 mechanical engineering from an accredited college or university as  
26 the equivalent of 1 year of experience for purposes of subsection  
27 (1), (2), or (3).

1           (5) Only an individual who is licensed under this article is  
2 allowed to work in the installation, alteration, maintenance,  
3 repair, servicing, inspecting, adjusting, or testing of elevators.  
4 The individual must perform that work under the immediate  
5 supervision of a licensed elevator contractor.

6           Sec. 707. (1) An individual who is not a resident of this  
7 state and who meets the requirements of this article may apply to  
8 obtain a license under this act. All of the following apply to a  
9 nonresident individual or foreign entity that applies for licensure  
10 under this act:

11           (a) The director may interview the applicant to determine  
12 eligibility for licensure.

13           (b) The applicant shall file an irrevocable consent to service  
14 of process with the department, on a form prescribed by the  
15 department, appointing the department as its attorney to receive  
16 service of lawful process in a noncriminal action or proceeding  
17 against the applicant or licensee that arises under this act or a  
18 rule promulgated or order issued under this act. The consent must  
19 include the notarized signature of the applicant or an authorized  
20 officer, member, or partner of the applicant. If the applicant is a  
21 corporation, the applicant must include with the consent a  
22 certified copy of the resolution of the board or shareholders of  
23 the corporation that authorizes the consent.

24           (2) After the filing of the consent described in subsection  
25 (1)(c), process received by the department has the same force and  
26 validity as if served personally on the applicant or licensee. A  
27 person that serves a pleading or process under this section shall

1 serve the pleading or process on the department in duplicate. The  
2 department immediately shall forward by registered mail 1 copy of  
3 the process or pleading to the last known address of the applicant  
4 or licensee in the department's records.

5 Sec. 709. (1) The work of installation, alteration,  
6 maintenance, repair, servicing, inspecting, adjusting, or testing  
7 of an elevator shall be performed by an individual who is licensed  
8 under this article.

9 (2) An individual who enters an elevator hoistway, pit,  
10 machinery space, or machine room for any reason, except under an  
11 emergency situation, must be a licensed elevator inspector or an  
12 individual who is employed as a helper and is under the immediate  
13 supervision of an individual who is licensed under this article.

14 (3) A building owner must display a sign on the machine room  
15 door that identifies the room as the machine room, states that only  
16 authorized personnel are to be admitted, and states that the room  
17 may not be used for storage.

18 (4) Storage of any items other than elevator materials in a  
19 machine room is a violation of this article.

20 (5) A building owner shall ensure that all keys to the  
21 elevator system that are required under the standard approved by  
22 the department, including the hoistway door unlocking device, are  
23 stored in the machine room and made available to an elevator  
24 inspector.

25 Sec. 711. An elevator shall be constructed, equipped,  
26 maintained, repaired, and used with respect to the supporting  
27 members, car or platform, hoistways, guides, cables, doors and

1 gates, safety stops and mechanisms, electrical apparatus and  
2 wiring, mechanical apparatus, counterweights, and all other  
3 appurtenances, in a manner that complies with the requirements of  
4 this act and rules promulgated under this act.

5       Sec. 713. (1) The holder of the certificate of operation for  
6 an elevator shall permanently attach to the elevator in an approved  
7 area an identification plate that shows the rated load and the  
8 serial number of each elevator.

9       (2) The department shall furnish 1 serial number tag to the  
10 holder of a certificate of operation for an elevator and the holder  
11 shall permanently attach the tag to the elevator machine  
12 controller. The holder may obtain a replacement elevator serial  
13 plate or elevator tag number under section 401(4).

14       Sec. 715. (1) An individual shall not install or alter an  
15 elevator, hoistway, pit, machine room, or machinery space without  
16 first obtaining a permit from the department. The department shall  
17 only issue a permit to an individual who is licensed under this  
18 article.

19       (2) An individual must have a permit when performing any major  
20 alteration, including, but not limited to, any of the following:

21       (a) A replacement that requires the performance of a test.

22       (b) Work that requires depressurization of an elevator  
23 hydraulic system.

24       (c) Replacement of suspension equipment or parts, including,  
25 but not limited to, belts and cables.

26       (d) Replacement of equipment or parts for an escalator or  
27 moving walk, including, but not limited to, a chain or handrail.

1           (3) A permit shall expire after 180 days of inactivity. An  
2 individual may renew a permit, at the discretion of the department,  
3 for 1 additional 180-day period if the individual pays a permit  
4 renewal fee in an amount established by the department by rule.

5           (4) An elevator hoistway enclosure must meet the requirements  
6 of this act and rules promulgated under this act.

7           (5) A licensee who applies for a permit must submit detailed  
8 plans and specifications of all elevator equipment and the elevator  
9 hoistway enclosure to the department, and the department shall not  
10 issue a permit unless it approves the plans and specifications.

11           (6) An elevator must be approved for use by the department  
12 before operation.

13           Sec. 717. (1) Each year, the department shall inspect each  
14 elevator that is located in this state. If the department  
15 determines that an elevator has been inspected, tested, and  
16 maintained in a safe operating condition in compliance with the  
17 requirements of this act and the rules promulgated under this act  
18 that are in effect on the date of the inspection, the department  
19 shall issue a certificate of operation for the elevator to the  
20 owner of the elevator.

21           (2) A certificate of operation is valid for 1 year and expires  
22 1 year after the date of issuance, unless renewed within 60 days  
23 after the date of expiration.

24           (3) A renewal application shall include an inspection form  
25 signed by a licensed elevator contractor or a licensed elevator  
26 inspector. The department shall schedule an elevator inspection  
27 when it receives the renewal application and inspection fee. The

1 department may issue a letter of conditional compliance to the  
2 owner, by mail or electronically, and add the elevator to the  
3 department's inspection schedule.

4 (4) If a person does not submit a renewal application and the  
5 renewal fee before the expiration of a certificate of operation,  
6 the department shall schedule the elevator for an inspection, but  
7 the person must pay an additional late fee, in an amount determined  
8 by the department by rule, before the department will issue a  
9 certificate of operation.

10 Sec. 719. (1) A building owner shall ensure that each elevator  
11 on the premises is serviced and examined for defects by a licensed  
12 elevator journeyman as often as necessary, but at least every 90  
13 days, to maintain the equipment in a safe operating condition. The  
14 department by rule shall establish minimum requirements for  
15 maintenance and inspection.

16 (2) A building owner shall keep reports and logs of all  
17 maintenance, repairs, tests performed, and inspections of an  
18 elevator in the elevator machine room, on a form prescribed by the  
19 department. The department may request copies or physical  
20 inspection of the reports and logs at any time.

21 Sec. 721. During reasonable hours, the director may enter any  
22 premises in this state without hindrance for the purpose of  
23 examining equipment covered by this article in accordance with the  
24 rules promulgated under this article. The holder of a certificate  
25 of operation shall provide any assistance required by the director  
26 in making the inspection.

27 Sec. 723. The department, an elevator journeyman, or an



1 elevator inspector may seal an elevator out of service in  
2 accordance with the rules promulgated under this article or if any  
3 of the following occur:

4 (a) In an emergency, if in the opinion of the journeyman or  
5 inspector the condition of the elevator renders it unsafe for  
6 operation.

7 (b) A failure to obtain a permit or renew a permit.

8 (c) A failure to comply with an order issued by the  
9 department.

10 (d) A failure to renew a certificate of operation.

11 Sec. 725. (1) If an intact elevator is sealed out of service  
12 by the department for more than 1 year or the elevator is inactive  
13 for more than 1 year, and the premises are not vacated, the owner  
14 of the premises in which the elevator is located must make the  
15 elevator dormant by ensuring that the elevator equipment is  
16 entirely disconnected in a manner that complies with the  
17 requirements of this act and rules promulgated under this act.

18 (2) An individual who is licensed under this article must  
19 first obtain a dormant elevator permit and pay any associated fees  
20 before making an elevator dormant under subsection (1).

21 (3) The department shall void the certificate of operation for  
22 an elevator that is made dormant under subsection (1).

23 (4) An elevator shall not be made dormant if the elevator is  
24 required for the building to meet requirements established within  
25 the Americans with disabilities act of 1990, Public Law 101-336.

26 (5) If a building owner wishes to make a dormant elevator  
27 operational, the building owner must apply for a new certificate of

1 operation, meet the requirements of this act and any rules  
2 promulgated by the department under this act, and pay the  
3 applicable fees established by the department under this act.

4 (6) The department may promulgate rules concerning the process  
5 of making an elevator dormant and making a dormant elevator  
6 operational under this section.

7 Sec. 727. (1) The holder of a certificate of operation for an  
8 elevator shall notify the department, on a form provided by the  
9 department, within 24 hours after the holder knows of an accident  
10 that involves personal injury or damage to the elevator.

11 (2) The building owner shall keep a copy of all accident  
12 reports for at least 3 years from the date of the accident.

13 Sec. 729. The department, after consultation with the board,  
14 shall promulgate rules regarding periodic inspections by the  
15 department and shall include, but not be limited to, frequency,  
16 documentation, and required examinations.

17 Sec. 731. An owner of an elevator device that is not subject  
18 to this article may request the department to perform an inspection  
19 of an elevating device that is not covered under this article and  
20 will be required to pay the special inspection fee promulgated by  
21 rule.

22 Enacting section 1. The following acts and parts of acts are  
23 repealed:

24 (a) 1976 PA 333, MCL 338.2151 to 338.2160.

25 (b) 1967 PA 227, MCL 408.801 to 408.824.

26 Enacting section 2. This act takes effect 90 days after the  
27 date it is enacted into law.