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BILL ANALYSIS



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Senate Bill 60 (as enacted)
Sponsor: Senator Roger Victory
Senate Committee: Regulatory Reform
House Committee: Regulatory Reform

PUBLIC ACT 68 of 2021

Date Completed: 2-16-23

CONTENT

The bill amended Article 8 (Mechanical Contractors) of the Skilled Trades Regulation Act to modify provisions governing the application for a work classification examination.

The bill took effect on July 29, 2021.

The Act requires the Department of Licensing and Regulatory Affairs (LARA) to issue a mechanical contractor's license under Article 8 with one or more of the following classifications and limitations:

- Hydronic heating and cooling and process piping.
- Heating, ventilation, and air conditioning (HVAC) equipment.
- Ductwork.
- Refrigeration.
- Limited heating service.
- Limited refrigeration service.
- Unlimited heating service.
- Unlimited refrigeration service.
- Fire suppression.
- Specialty.

The bill refers to refrigeration and *air conditioning* service.

Previously under the Act, an applicant was not eligible for a work classification examination under Article 8 unless the applicant met the requirements provided in Article 2 (Issuance of Licenses), was of good moral character, and had a minimum of three years of experience, or an equivalent of that experience, that was acceptable to the Board of Mechanical Rules, and shown to LARA, in one or more of the work classifications described above.

Instead, under the bill, an applicant is not eligible for a work classification examination under Article 8 unless the applicant meets the requirements provided in Article 2, is of good moral character, and meets one or more of the following conditions: a) has a minimum of three years or 6,000 hours of experience in the work classification for which he or she was seeking a license, or an equivalent of that experience, that is acceptable to the Board and shown to LARA, in one or more of the work classifications described above; or b) currently holds, and has continuously held for at least three years immediately preceding his or her application, an active license in the HVAC equipment, refrigeration, limited heating, or limited refrigeration and air conditioning service work classifications and is applying for license in the following work classifications as applicable:

- Ductwork, limited or unlimited heating service, limited or unlimited refrigeration and air conditioning service, or specialty, if he or she currently holds a license in HVAC equipment.
- Limited or unlimited refrigeration and air conditioning services if he or she currently holds a license in refrigeration.
- Unlimited heating service, if he or she currently holds a license in limited heating service.
- Unlimited refrigeration and air conditioning service, if he or she currently holds a license in limited refrigeration and air conditioning service.

For purposes of the work experience requirement, and except in the case of equivalent experience, an applicant must provide to the Board and to LARA a statement signed under penalty of perjury from each contractor of record that is the applicant's present or former mechanical contractor employer. The statement must include that the applicant has a minimum of three years or 6,000 hours of performance in each work classification for which the applicant is seeking a license and a detailed and specific description of the type of work the applicant performed and the length of time he or she performed the work.

If an applicant provides evidence satisfactory to LARA that he or she has completed a two-year, or equivalent, HVAC program provided by a recognized trade school, community college, or university, or a two-year HVAC training program approved by the United States Department of Labor, LARA must credit the completion of that program toward the bill's work experience requirement. The amount credited, as determined by LARA, may not exceed one year or 2,000 of the three years or 6,000 hours required.

MCL 339.5807

BACKGROUND

On August 23, 2016, LARA released a declaratory ruling on a determination of whether the Bureau of Construction Code could stop enforcing Rule 338.903(1), which required mechanical contractor licensure applicants to fill out a form detailing their work experience and required employers to provide a notarized statement regarding the experience. The declaratory ruling stated that Rule 338.903 was invalid and unenforceable as it exceeded the scope of the legislative authority of the Skilled Trades Regulation Act.¹ As a result, mechanical contractor license applicants were allowed to self-certify their own work experience.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill will have no significant fiscal impact on State government and no fiscal impact on local units of government. To the extent that the new allowances and classifications will allow more individuals to complete an examination and apply for and obtain a license, LARA may experience a minor increase in fee revenue. However, the magnitude of this increase is not significant. Any administrative costs likely are provided for under current appropriations and staffing levels.

Fiscal Analyst: Jonah Houtz

¹ "Declaratory Ruling", Department of Licensing and Regulatory Affairs, 8-23-16. Available at: <https://www.michigan.gov>.

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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.