

HOUSE BILL No. 4225

February 16, 1989, Introduced by Reps. Hickner, DeMars, Scott, Leland, Gubow, DeBeaussaert, Ciaramitaro, Berman, Gire, Pitoniak, Randall and Emerson and referred to the Committee on Labor.

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

"Forbes mechanical contractors act,"

being section 338.981 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 11 of Act No. 192 of the Public Acts of
2 1984, being section 338.981 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 11. (1) The department may investigate the activities
5 of a licensee related to the licensee's activities as a
6 contractor. The department may hold hearings, administer oaths,
7 and order relevant testimony to be taken and shall report its
8 findings to the board. The board shall proceed under section 16
9 if the board finds that any of the following grounds exist:

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

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

5 (c) An act of gross negligence.

6 (d) The practice of false advertising.

7 (e) An act which demonstrates incompetence.

8 (f) A violation of this act or rule promulgated under this
9 act.

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

23 (3) THE DEPARTMENT SHALL CONDUCT A REVIEW AND MAY REVOKE OR
24 SUSPEND THE LICENSE OF A LICENSEE UPON NOTICE BY THE DEPARTMENT
25 OF PUBLIC HEALTH THAT THE LICENSEE HAS VIOLATED THE ASBESTOS
26 ABATEMENT CONTRACTORS LICENSING ACT, ACT NO. 135 OF THE PUBLIC
27 ACTS OF 1986, BEING SECTIONS 338.3101 TO 338.3319 OF THE MICHIGAN

1 COMPILED LAWS, OR SECTIONS 57 TO 60F OF THE MICHIGAN OCCUPATIONAL
2 SAFETY AND HEALTH ACT, ACT NO. 154 OF THE PUBLIC ACTS OF 1974,
3 BEING SECTIONS 408.1057 TO 408.1060F OF THE MICHIGAN COMPILED
4 LAWS.

5 (4) ~~-(3)-~~ A revocation, suspension, or other sanction set
6 forth in SUBSECTION (3) OR section 16 shall be imposed only after
7 a hearing has been conducted pursuant to the administrative pro-
8 cedures act of 1969, Act No. 306 of the Public Acts of 1969,
9 being sections 24.201 to ~~-24.315-~~ 24.328 of the Michigan Compiled
10 Laws.

11 (5) ~~-(4)-~~ The installation, alteration, or servicing of
12 heating, cooling, ventilating, or refrigerating equipment or sys-
13 tems shall not be performed under a license that has been sus-
14 pended, revoked, or has expired. A license, other than a license
15 issued under this act, shall not be recognized for securing per-
16 mits to install, alter, or service heating, cooling, ventilating,
17 or refrigerating equipment or systems.