

# SENATE BILL No. 599

October 11, 1989, Introduced by Senators CHERRY, BARCIA  
and O'BRIEN and referred to the Committee on  
Commerce and Technology.

A bill to amend section 22 of Act No. 230 of the Public Acts  
of 1972, entitled as amended

"State construction code act of 1972,"

as amended by Act No. 371 of the Public Acts of 1980, being sec-  
tion 125.1522 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 22 of Act No. 230 of the Public Acts of  
2       1972, as amended by Act No. 371 of the Public Acts of 1980, being  
3       section 125.1522 of the Michigan Compiled Laws, is amended to  
4       read as follows:

5       Sec. 22. (1) The legislative body of a governmental subdi-  
6       vision shall establish reasonable fees to be charged by the gov-  
7       ernmental subdivision for acts and services performed by the  
8       enforcing agency or construction board of appeals pursuant to  
9       this act, which fees shall be intended to bear a reasonable

1 relation to the cost, including overhead, to the governmental  
2 subdivision of the acts and services, including, without limita-  
3 tion, those services and acts as, in case of an enforcing agency,  
4 issuance of building permits, examination of plans and specifica-  
5 tions, inspection of construction undertaken pursuant to a build-  
6 ing permit, ~~and~~ the issuance of certificates of use and occu-  
7 pancy, and, ~~in case of~~ FOR a board of appeals, hearing appeals  
8 in accordance with this act. The enforcing agency shall collect  
9 the fees established under this subsection.

10 (2) To accomplish the objectives of this section and this  
11 act, a state construction code fund is created. The director of  
12 labor, after approval by the commission and following a public  
13 hearing held by the commission, shall establish reasonable fees  
14 to be charged by the commission for acts and services performed  
15 by the commission including, without limitation, inspection of  
16 plans and specifications, issuance of certificates of acceptabil-  
17 ity, testing and evaluation of new products, methods, and pro-  
18 cesses of construction or alteration, issuance of building per-  
19 mits, inspection of construction undertaken pursuant to a build-  
20 ing permit, ~~the~~ issuance of certificates of use and occupancy,  
21 and hearing of appeals. Fees established by the department shall  
22 be intended to bear a reasonable relation to the cost, including  
23 overhead, of the service or act. Until the director of labor  
24 establishes fees pursuant to this act, the fees established pur-  
25 suant to this subsection shall remain in effect. The state trea-  
26 surer shall be the custodian of the fund and may invest the  
27 surplus of the fund in investments as in the state treasurer's

1 judgment are in the best interest of the fund. Earnings from  
2 those investments shall be credited to the fund. The state trea-  
3 surer shall notify the director and the legislature of interest  
4 credited and the balance of the fund as of September 30 of each  
5 year. The director shall supervise and administer the fund.  
6 Fees received by the department and money collected under this  
7 act shall be deposited in the state construction code fund and  
8 shall be appropriated by the legislature for the operation of the  
9 bureau of construction codes, and indirect overhead expenses in  
10 the department. ~~However, this restricted fund shall not be~~  
11 ~~appropriated for the bureau of construction code's performance~~  
12 ~~evaluation program and complaint investigation program. The per-~~  
13 ~~formance evaluation program and complaint investigations mandated~~  
14 ~~in this act shall be funded by appropriations from the general~~  
15 ~~fund.~~ Funds ~~which~~ THAT are unexpended at the end of each  
16 fiscal year shall be returned to the state construction code  
17 fund. A self-supporting fund shall be established within the  
18 commission to provide for the purchase and sale of codes and  
19 standards to the general public.