



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 740 (Substitute S-1 as passed by the Senate)
Sponsor: Senator Darrin Camilleri
Committee: Labor

Date Completed: 7-24-24

RATIONALE

Currently, Michigan law does not require a ratio of journey or master plumbers to apprentices. Some people believe this has contributed to a workplace dynamic in which apprentices do not receive adequate training or on-site experience. According to testimony before the Senate Committee on Labor, in some cases, dozens of apprentices are told to complete work on a jobsite without adequate supervision. Requiring a jobsite ratio between journey or master plumbers to apprentices would increase apprentices' quality of work and training and better enable their advancement toward becoming journey plumbers.

CONTENT

The bill would amend the Skilled Trades Regulation Act to require a jobsite ratio of one journey or master plumber to not more than two apprentices and prescribe administrative fines for violating the ratio.

An apprentice plumber must, as the plumber's principal occupation, be engaged in learning and assisting in the installation of plumbing under direct jobsite supervision of a journey or master plumber. Currently, the Act does not require a specific ratio of journey or master plumbers to apprentices on a jobsite. The bill would require the ratio of journey or master plumbers who provide direct on-site, in-person supervision to apprentice to be one journey or master plumber to not more than two apprentices on a jobsite. The Department of Licensing and Regulatory Affairs (LARA) or an enforcing agency would have to enforce the ratio on a jobsite basis.

Under the bill, a plumbing contractor who violated the applicable ratio would be subject to the following punishments:

- For a first violation, a \$5,000 administrative fine.
- For a second violation, a \$10,000 administrative fine.
- For a third violation, a suspension of licensure for at least 90 days; after 90 days, the plumbing contractor could have the license reinstated if the plumbing contractor passed the appropriate licensing examination.

The bill would require LARA to pay any money collected for an administrative fine to the enforcing agency that discovered the violation that resulted in the fine. If LARA issued an order for a violation, LARA would be entitled to actual costs and attorney fees related to the investigation and adjudication of the violation.

MCL 339.6117 et al.

BACKGROUND

The provisions in Senate Bill 740 and Senate Bill 895 were originally in the same bill because of similar interests in establishing jobsite ratios in the plumbing and electrical sectors; however, the provisions of Senate Bill 740 regarding electrical work were deleted and re-introduced in Senate Bill 895.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Establishing a workplace ratio would benefit plumbers in three ways. Firstly, the ratio would improve workplace safety. More people die annually in construction than in any other industry.¹ By increasing apprentices' competence in the craft, apprentices can better identify hazards and take corrective measures. Secondly, it would secure better training for apprentices. According to testimony before the Senate Committee on Labor, the Department of Labor and Economic Opportunity has developed guidelines for plumber training that heavily involve on-the-job experience. Without a journey or master plumber present to facilitate this on-the-job experience, apprentices may not attain expertise. Finally, the ratio would improve public safety. The presence of water-borne illnesses and contaminated drinking water are common plumbing-specific hazards that plumbers often deal with. Apprentices with adequate supervision learn the methods used to keep themselves and clients safe when dealing with these workplace hazards.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would have a positive fiscal impact on State government. The administrative fines collected would be paid to the enforcing agency that discovered the violation but the increase in revenue from fines would depend on the number of violations.

Fiscal Analyst: Nathan Leaman

¹ United States Bureau of Labor Statistics, Graphics for Economic News Releases, "*Number and rate of fatal work injuries, by private industry sector, 2022*", 2022.

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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.