



**House
Legislative
Analysis
Section**

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**PRIVATIZE CONSTRUCTION
INSPECTIONS**

House Bill 5262 (Substitute H-2)

Sponsor: Rep. Alan Cropsey

Committee: Regulatory Affairs

Complete to 2-14-96

A SUMMARY OF HOUSE BILL 5262 (SUBSTITUTE H-2)

Under the State Construction Code Act, local governments have the option of exempting themselves from certain parts of the code, which is otherwise enforced by the Department of Labor, by adopting and enforcing a nationally recognized model building code or other nationally recognized model codes. The bill would amend the act to allow local governments to hire private building inspectors or plan reviewers to enforce the construction code, among other provisions. Specifically, the bill would do the following:

* Specify that an enforcing agency would be any official or public agent of a governmental subdivision, and delete language requiring that the agent be "qualified by experience or training to perform the duties associated with construction code administration and enforcement". The bill would specify that the official or public agent would act as the enforcing agency to administer and enforce the code and as such, would be the final decision making authority within the governmental subdivision for the issuance and revocation of permits, correction notices, certificates of occupancy, stop work notices, and other similar actions. A decision of the official or public agent would be appealable to the construction board of appeals under provisions of the act.

* Specify that in administering the code, the governmental subdivision would base its decision on either of the following:

-- an official or public agent that is registered under the Building Officials and Inspectors Registration Act (MCL 338.2301 et al.).

-- the technical advice and assistance of a private entity or individual who is a registered inspector or plan reviewer.

* Prohibit an official or public agent from being directly or indirectly an officer, director, stockholder, or employee of any private entity or individual providing the governmental subdivision with administrative, plan review, or field inspection services or technical advice and assistance. In addition, a public agent or official would be prohibited from receiving, either directly or indirectly, any fee, perquisite, reward, emolument, or other compensation or financial benefit from any private entity or individual that provides the governmental subdivision with the above services.

* Specify that appeals of denials of building permits for residential construction would have to be acted upon by the construction board of appeals within 10 days, instead of 30 days.

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Should the board not act within the 10-day time period, the appeal would be considered to be granted. (For non-residential construction, the time period granted to the board of appeals to hear an appeal and make a decision would remain at 30 days.)

* Change the manner of appointment of certain members of the construction board of appeals. Currently, members of the board are appointed by the chief executive officer of a city, village, or township and the chairperson of the county board of commissioners of a county. The bill would delete the reference to the chairperson of the county board of commissioners, so that members would be appointed by "the chief executive officer of a city, village, township, or county".

* Delete a provision requiring governmental subdivisions which administer and enforce the act and code to file prescribed notice of intent forms to continue to administer and enforce the act and code.

* Delete a prohibition against using restricted construction code fund dollars to fund the performance evaluation program and complaint investigation program and a requirement that these programs be funded by the general fund. (Reportedly, these programs have not received general fund appropriations in the past.)

* Replace references to "executive director", which referred to the director of the Bureau of Construction Codes, with "director", which would refer to the director of the Department of Labor or his or her representative.

* Make a number of "cleanup" amendments to the act.

MCL 125.1502 et al.

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.