

HOUSE BILL No. 4003

January 10, 2001, Introduced by Rep. Scranton and referred to the Committee on Regulatory Reform.

A bill to regulate the installation, alteration, maintenance, improvement, and inspection of plumbing; to provide certain powers and duties for certain state agencies and departments; to create a plumbing board; to define plumbing and the classification of plumbers and to set standards for those classifications; to provide for the licensing and regulation of classes of plumbers and plumbing contractors; to prescribe fees and the disposition of money derived from those fees; to provide for the promulgation of rules; to prescribe remedies and penalties; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "state plumbing act".

3 Sec. 3. As used in this act:

1 (a) "Apprentice plumber" means an individual registered
2 under this act as an apprentice.

3 (b) "Board" means the state plumbing board created in sec-
4 tion 13.

5 (c) "Building sewer" means that part of the drainage system
6 which extends from the end of the building drain and conveys its
7 discharge to a public sewer, private sewer, individual sewage
8 disposal system, or other point of disposal.

9 (d) "Censure" means an expression of disapproval of a
10 licensee's or registrant's professional conduct, which conduct is
11 not necessarily a violation of this act or a rule promulgated or
12 an order issued under this act.

13 (e) "Code" means the state construction code provided for in
14 section 4 of the Stille-DeRossett-Hale single state construction
15 code act, MCL 125.1504, or a part of the code that is of limited
16 application and includes a modification of or amendment to the
17 code.

18 Sec. 5. As used in this act:

19 (a) "Department" means the department of consumer and indus-
20 try services.

21 (b) "Director" means the director of the department of con-
22 sumer and industry services or an authorized representative of
23 the director.

24 (c) "Domestic water conditioning and filtering equipment"
25 means water conditioning and filtering equipment with a flow rate
26 of no more than 15 gallons per minute or back flush rate of
27 30 gallons per minute.

1 (d) "Enforcing agency" means an enforcing agency as defined
2 in section 2a of the Stille-DeRossett-Hale single state construc-
3 tion code act, MCL 125.1502a.

4 (e) "Governmental subdivision" means a governmental subdivi-
5 sion as defined in section 2a of the Stille-DeRossett-Hale single
6 state construction code act, MCL 125.1502a.

7 Sec. 7. As used in this act:

8 (a) "Journey plumber" means an individual, other than a
9 plumbing contractor or master plumber, who is qualified to engage
10 in the practical installation of plumbing and who is licensed as
11 a journey plumber by the board.

12 (b) "License" means the document issued to a person under
13 this act enabling that person to use a designated title and prac-
14 tice an occupation, which practice would otherwise be prohibited
15 by this act.

16 (c) "Licensee" means a person who has been issued a license
17 under this act.

18 (d) "Master plumber" means an individual possessing the nec-
19 essary skills and qualifications to plan and supervise the
20 installation of plumbing and who is licensed as a master plumber
21 by the board.

22 (e) "Minor repair" means a repair which involves only the
23 clearance of stoppages, repair, or replacement of a faucet,
24 valve, trap, single plumbing fixture, or domestic water condi-
25 tioning and filtering equipment provided that no modifications
26 are made to the plumbing system. Minor repair does not include
27 any of the following:

1 (i) The installation, replacement, or repair of a water
2 heater.

3 (ii) The repair or replacement of a backflow preventer and
4 air admittance valves.

5 (iii) A repair or replacement that is only a part of a
6 larger or major renovation or repair.

7 Sec. 9. As used in this act:

8 (a) "Person" means an individual, sole proprietor, partner-
9 ship, association, corporation, governmental subdivision, public
10 or private school, or public or private organization.

11 (b) "Plumbing" means the practice, materials, and fixtures,
12 in or adjacent to a building, structure, or premises, used in the
13 installation, maintenance, extension, or alteration of all
14 piping, fixtures, plumbing appliances, plumbing appurtenances, as
15 defined by the code, in connection with the sanitary drainage or
16 storm drainage facilities, plumbing venting systems, medical gas
17 systems, backflow preventers, and public or private water supply
18 systems.

19 (c) "Plumbing contractor" means a licensed master plumber or
20 a person who employs a licensed master plumber full-time to
21 directly supervise the installation of plumbing as his or her
22 representative engaged in the business of plumbing for a fixed
23 sum, price, fee percentage, valuable consideration, or other com-
24 pensation and who is licensed as a plumbing contractor by the
25 board.

1 (d) "Probation" means a sanction which permits a board to
2 evaluate over a period of time a licensee's or registrant's
3 fitness to practice an occupation regulated by this act.

4 Sec. 11. As used in this act:

5 (a) "Reinstatement" means the granting and issuance of a
6 license or registration to a person whose license or registration
7 has been suspended, revoked, or voided due to failure to renew
8 within the periods specified in this act.

9 (b) "Restitution" means the requirement that a person found
10 to be in violation of this act, a rule promulgated under this
11 act, or an order issued under this act has caused monetary damage
12 to another and that the violator will be required to compensate
13 the injured party by an amount equal to the amount of the mone-
14 tary damage caused.

15 (c) "Stille-DeRossett-Hale single state construction code
16 act" means the Stille-DeRossett-Hale single state construction
17 code act, 1972 PA 230, MCL 125.1501 to 125.1531.

18 (d) "Water service pipe" means the pipe from the water main
19 or other source of potable water supply to the water distributing
20 system of the building served.

21 Sec. 13. (1) There is created a state plumbing board within
22 the department. The governor, with the advice and consent of the
23 senate, shall appoint 5 United States citizens who are residents
24 of the state, 2 of whom shall be licensed plumbing contractors
25 who hold a master's license. One shall be a licensed master
26 plumber securing permits, and 1 shall be a licensed journey
27 plumber, each having 10 years' experience, and a person

1 representative of the general public, who with the director of
2 community health or his or her authorized representative, a
3 member or employee of the division of water supply, bureau of
4 environmental and occupational health of the department of commu-
5 nity health, selected by the director of community health as
6 voting ex officio members, shall constitute the plumbing board.

7 Upon the expiration of the term of office of each person so
8 appointed, the governor shall, on or before July 1 in each year,
9 appoint a successor to hold office for a term of 3 years.

10 (2) Per diem compensation of the members of the board, other
11 than the director and the director of community health or their
12 authorized representatives and the member or employee of the
13 division of water supply, bureau of environmental and occupa-
14 tional health of the department of community health, and the
15 schedule for reimbursement of expenses shall be established annu-
16 ally by the legislature.

17 (3) The board shall meet as often as necessary to fulfill
18 its duties under this act, but shall meet not less than 4 times a
19 year. A majority of the members appointed and serving shall con-
20 stitute a quorum. An approval, decision, or ruling of the board
21 does not become effective unless supported by a majority of the
22 members present constituting a quorum. A member of the board
23 shall not vote by proxy.

24 (4) At the first meeting of each calendar year, the board
25 shall elect 1 member as chairperson, another as vice-chairperson,
26 another as secretary, and other officers as it determines
27 appropriate, for the terms and with the duties and powers as the

1 board determines. The chairperson, vice-chairperson, and
2 secretary shall be elected from those members appointed to the
3 board by the governor.

4 (5) The business which the board may perform shall be con-
5 ducted at a public meeting of the board held in compliance with
6 the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public
7 notice of the time, date, and place of the meeting shall be given
8 in the manner required by the open meetings act, 1976 PA 267,
9 MCL 15.261 to 15.275. A member of the board who intentionally
10 violates this subsection is subject to the penalties prescribed
11 in the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

12 (6) A writing prepared, owned, used, in the possession of,
13 or retained by the board in the performance of an official func-
14 tion shall be made available to the public in compliance with the
15 freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
16 The department shall maintain physical possession of the files of
17 the board and shall ensure that applicable laws concerning public
18 access to the files are met.

19 (7) The board shall recommend to the state construction code
20 commission the promulgation of rules necessary for the safe
21 design, construction, installation, alteration, and inspection of
22 plumbing. The board may also recommend to the state construction
23 code commission, after testing and evaluation, that it issue cer-
24 tificates of acceptability under the code for a material, pro-
25 duct, method of manufacturing, or method of construction or
26 installation of plumbing equipment.

1 (8) The board, in consultation with the department, shall
2 promulgate rules pursuant to the administrative procedures act of
3 1969, 1969 PA 306, MCL 24.201 to 24.328, for the administration
4 of this act and to effectuate the purposes of this act including,
5 but not limited to, the establishing of standards for license
6 classifications under this act; the examination and licensing of
7 plumbing contractors, master plumbers, and journey plumbers; and
8 for the registration of plumbers' apprentices. Before an exami-
9 nation or other test required under this act is administered, the
10 board, in consultation with the department, shall review and
11 approve the form and content of the examination or test. Each
12 examination for a license as a master plumber or journey plumber
13 shall be conducted by the board and the department, acting
14 jointly.

15 Sec. 15. (1) A person shall not engage in or work at the
16 business of a plumbing contractor, master plumber, journey plumb-
17 er, or apprentice plumber unless licensed or registered by the
18 department. Except as provided in subsections (2), (3), and (4)
19 and section 39(3), plumbing shall be performed by a licensed
20 master or journey plumber. A licensed master plumber shall be in
21 charge and responsible for proper installation and conformance
22 with the code. Plumbing shall not be performed unless the plumb-
23 ing contractor who is responsible has secured a permit from the
24 state or a governmental subdivision authorized to issue permits.

25 (2) A license is not required for the following work:

26 (a) Minor repair work.

1 (b) The installation of a building sewer or water service
2 pipe provided that a permit is secured from the responsible
3 enforcing agency and inspections are performed. The installa-
4 tions shall comply with the applicable code.

5 (c) The connection of domestic type water conditioning and
6 filtering equipment which requires modification to an existing
7 cold water distribution supply and associated waste piping in
8 buildings if a permit is secured, required inspections performed,
9 and the installation complies with the applicable code. If the
10 enforcing agency determines a violation exists, it shall be cor-
11 rected by the responsible installer.

12 (3) A homeowner may install his or her own plumbing, build-
13 ing sewer, or private sewer in his or her single-family dwelling
14 if a permit is secured.

15 (4) The installation of medical gas piping providing the
16 installation shall be performed under the supervision of a
17 licensed plumbing contractor.

18 Sec. 17. (1) The board shall grant licenses to qualified
19 applicants. The character, experience, and fitness of an appli-
20 cant shall also be taken into consideration. Each applicant
21 shall be of good moral character, as defined and determined under
22 1974 PA 381, MCL 338.41 to 338.47.

23 (2) The plumber contractor's examination shall consist of,
24 but not be limited to, questions designed to test an individual's
25 knowledge of this act, any rules promulgated under this act, the
26 Stille-DeRossett-Hale single state construction code act, and the
27 administration and enforcement procedures of the code.

1 (3) The master plumber's examination shall consist of, but
2 not be limited to, oral and written tests and shall cover the
3 science and practice of plumbing, knowledge of the state plumbing
4 code, laws, rules, regulations, interpretation of charts and
5 blueprints, and plans of plumbing installations. The department
6 shall arrange for master plumber examinations in the months of
7 March, June, September, and December of each year in the Lower
8 Peninsula and shall arrange for at least 1 master plumber's exam-
9 ination to be held in the Upper Peninsula each year.

10 (4) The journey plumber's examination shall consist of, but
11 not be limited to, oral, written, and practical tests and shall
12 cover the theory and practice of plumbing and knowledge of the
13 state plumbing code, rules, and regulations. The department
14 shall arrange for journey plumber examinations to be held in the
15 months of March, June, September, and December of each year in
16 the Lower Peninsula and shall arrange for at least 1 journey
17 plumber's examination to be held in the Upper Peninsula each
18 year.

19 (5) An application to take an examination shall be submitted
20 to the department no later than 20 days before the date of the
21 examination.

22 Sec. 19. Applicants for plumbing contractor, master, or
23 journey licensure under this act may sit for examination upon
24 doing both of the following:

25 (a) Filing an application with the department, on a form
26 provided by the department, with the appropriate nonrefundable
27 examination fee prescribed in section 31.

1 (b) Establishing, in a manner satisfactory to the board, the
2 experience requirement or an equivalent of that experience
3 requirement for the particular class of licensure by use of a
4 notarized statement from current and past employers and master
5 plumbers.

6 Sec. 21. (1) To qualify for a plumbing contractor license,
7 the applicant must either hold a master plumber license or employ
8 the holder of a master plumber license as his or her
9 representative. Only an owner of a sole proprietorship or part-
10 nership, or an officer of a corporation or limited liability com-
11 pany, may apply for licensure as a plumbing contractor.

12 (2) The department shall issue a plumbing contractor's
13 license to a person who does all of the following:

14 (a) Files a completed application on a form provided by the
15 department that includes the following information:

16 (i) A statement listing the complete address of each place
17 where the applicant has resided and has been engaged in business
18 during the last 5 years including the length of residences and
19 types of businesses engaged in or employments.

20 (ii) The name of the applicant, the name of the business,
21 and the location of the place for which the license is desired.

22 (iii) The name of the business owner or president of the
23 corporation and the name of the applicant, if different from the
24 name of the business owner or president, and his or her title.

25 (iv) The name, residence address, and license number of the
26 licensed master plumber who represents the person.

1 (b) Pays the examination fee prescribed in section 31 and
2 passes an examination provided for by the board and the
3 department.

4 (c) Pays the license fee prescribed in section 31.

5 (3) A licensed plumbing contractor may operate 1 or more
6 branch offices in this state bearing the same firm name provided
7 a licensed master plumber is in charge and has the responsibility
8 of supervision at each branch.

9 (4) When a license is issued to a plumbing contractor repre-
10 sented by a master plumber, the plumbing contractor and the
11 master plumber are jointly and severally responsible for exercis-
12 ing the supervision or control of the plumbing operations neces-
13 sary to secure full compliance with this act, the rules promul-
14 gated under this act, and all other laws and rules related to the
15 installation of plumbing.

16 (5) If a plumbing contractor is represented by a licensed
17 master plumber and he or she ceases to represent the plumbing
18 contractor, the plumbing contractor has 30 days thereafter in
19 which to designate another licensed master plumber as the repre-
20 sentative of the plumbing contractor. The plumbing contractor
21 shall notify the department in writing of the change.

22 (6) A person applying for a plumbing contractor license
23 shall also pay any amount required to be paid under the construc-
24 tion lien act, 1980 PA 497, MCL 570.1101 to 570.1305, which
25 amount shall be paid to the department for deposit in the home-
26 owner construction lien recovery fund. An assessment imposed

1 upon a master plumber is considered sufficient to fulfill any
2 assessment obligation that may exist for a plumbing contractor.

3 (7) A person who, on the effective date of this act, is
4 licensed as a master plumber under former 1929 PA 266 shall, upon
5 payment of the plumbing contractor license fee and upon furnish-
6 ing the department with satisfactory evidence of having been
7 engaged in a business as a master plumber for a minimum of 3 out
8 of the 5 years immediately preceding the effective date of this
9 act, be granted a plumbing contractor license without examina-
10 tion, if the person applies within 6 months after the effective
11 date of this act.

12 (8) A licensed plumbing contractor shall display in a con-
13 spicuous place at the entrance of the place of business a sign
14 bearing the company name and the name of the licensed master
15 plumber and license number in letters not less than 3 inches
16 high.

17 Sec. 23. (1) The department shall issue a master plumber's
18 license to a person not less than 18 years of age who does all of
19 the following:

20 (a) Files a completed application on a form provided by the
21 department.

22 (b) Pays the examination fee prescribed in section 31 and
23 passes an examination provided for by the board and the
24 department.

25 (c) Pays the license fee prescribed in section 31.

26 (d) Holds a journey plumber license issued under this act or
27 former 1929 PA 266 and has gained 4,000 hours' experience in work

1 as a journey plumber over a period of not less than 2 years
2 immediately preceding the date of his or her application.

3 (2) As a condition of renewal of a master plumber's license,
4 the master plumber shall demonstrate the successful completion of
5 a course, approved by the board, concerning any update or change
6 in the code within 12 months after the update or change in that
7 code. This requirement applies only during or after those years
8 that the code is updated or changed.

9 (3) A licensed master plumber shall represent only 1 plumb-
10 ing contractor at any given time.

11 (4) A master plumber who is also a plumbing contractor is
12 only liable for payment of the plumbing contractor license fee.

13 Sec. 25. (1) The department shall issue a journey plumber's
14 license to a person not less than 18 years of age who does all of
15 the following:

16 (a) Files a completed application on a form provided by the
17 department.

18 (b) Pays the examination fee prescribed in section 31 and
19 passes an examination provided for by the board and the
20 department.

21 (c) Pays the license fee prescribed in section 31.

22 (d) Has at least 6,000 hours' experience gained over a
23 period of not less than 3 years as an apprentice in the practical
24 installation of plumbing under the supervision of a master
25 plumber.

26 (2) As a condition of renewal of a journey plumber's
27 license, the journey plumber shall demonstrate the successful

1 completion of a course, approved by the board, concerning any
2 update or change in the code within 12 months after the update or
3 change in that code. This requirement applies only during or
4 after those years that the code is updated or changed.

5 Sec. 27. (1) An individual employed as an apprentice
6 plumber shall register with the department on a form provided by
7 the department within 30 days after employment.

8 (2) An apprentice registration is invalid after 5 years from
9 the date of initial registration unless the registered apprentice
10 applies for and takes the examination for journey license. The
11 registration remains valid until either a license is issued or
12 the apprentice fails to take the exam.

13 (3) Upon request by the apprentice to the board, the board
14 may grant an extension of an apprentice registration for a period
15 of time as determined appropriate by the board.

16 (4) An apprentice plumber shall, as his or her principal
17 occupation, be engaged in learning and assisting in the installa-
18 tion of plumbing under the direct jobsite supervision of a jour-
19 ney or master plumber.

20 Sec. 29. (1) A person licensed as a master plumber may
21 request that the master plumber license be retained by the
22 department as an inactive license for a period not to exceed
23 3 years.

24 (2) An inactive master plumber license shall be issued as
25 active upon the request of the licensee and the payment of the
26 reinstatement fee as described in section 31 as long as the
27 journey plumber license has been renewed each year.

1 (3) A person shall not simultaneously hold an active master
 2 and journey plumber license. An individual holding an active
 3 master plumber license may work as a journey plumber.

4 Sec. 31. (1) A license or apprentice registration issued
 5 under this act must be renewed not more than 60 days after the
 6 renewal date. It is the responsibility of a licensee or regis-
 7 trant to renew a license or registration. The department shall
 8 send a renewal application to the last known address of a
 9 licensee or registrant on file with the department. Every holder
 10 of a license or registration issued under this act shall promptly
 11 notify the department of a change in his or her business or resi-
 12 dence address. The failure of a licensee or registrant to notify
 13 the department of a change of address does not extend the expira-
 14 tion date of a license or registration. The department may issue
 15 licenses for up to 3 years in duration.

16 (2) The annual fees for initial licensure, apprentice
 17 plumber registration, or renewal of a license issue under this
 18 act are as follows:

19 (a) Journey plumber..... \$20.00.

20 (b) Apprentice plumber..... \$ 5.00.

21 (3) All licenses and apprentice registrations not renewed
 22 within 60 days of expiration may be reinstated only upon applica-
 23 tion to the board for reinstatement and the payment of the annual
 24 renewal fee and the following reinstatement fee:

25 (a) Journey plumber..... \$25.00.

26 (b) Apprentice plumber..... \$10.00.

1 (4) A person requesting renewal of a license within 3 years
 2 after the license is expired under subsection (3) shall not be
 3 subject to reexamination for the license but is required to pay
 4 the reinstatement fee and the annual renewal fee for each year
 5 not renewed. A person who fails to renew a license for more than
 6 3 consecutive years is required to meet the experience and other
 7 requirements and take an examination for the class of license
 8 sought.

9 (5) Examination fees are as follows:

10	(a) Plumbing contractor.....	\$50.00.
11	(b) Master plumber.....	\$50.00.
12	(c) Journey plumber.....	\$50.00.

13 (6) The fees for lost or destroyed licenses are as follows:

14	(a) License replacement.....	\$ 5.00.
15	(b) Registration replacement.....	\$ 5.00.

16 (7) The department shall issue an initial master plumber and
 17 plumbing contractor license for a period of up to 3 years. The
 18 master plumber and plumbing contractor licenses are renewable for
 19 periods of 3 years. In the case of a person applying for initial
 20 or reinstatement license at a time other than between April 30
 21 and June 30 of the year in which the department issues renewal
 22 licenses, the department shall compute and charge the license fee
 23 on a yearly prorated basis beginning the year of application
 24 until the last year of the 3-year license period.

25 (8) The initial and renewal fee for a master plumber and
 26 plumbing contractor license issued under this act are as
 27 follows:

1 (a) Plumbing contractor..... \$200.00.

2 (b) Master plumber..... \$200.00.

3 (9) All plumbing contractor and master plumber licenses not
4 renewed within 60 days of expiration may be reinstated only upon
5 application to the board and payment of the renewal fee and an
6 \$85.00 reinstatement fee.

7 Sec. 33. Upon payment of the required fee in section 31,
8 the board may license without examination applicants licensed
9 under the laws of other states having requirements for licensing
10 plumbers and for regulating plumbing that the board determines
11 are equivalent to the requirements of this state conditional upon
12 that state offering reciprocity.

13 Sec. 35. If a license or registration is lost or destroyed,
14 a new license or registration shall be issued without examina-
15 tion, upon payment of a \$20.00 fee and a written statement made
16 by the licensee or registrant that the license or registration
17 has been lost or destroyed.

18 Sec. 37. All fees and money received by the department from
19 the licensing of plumbers and any other income the board may
20 receive under this act shall be paid into the state construction
21 code fund as created by section 22 of the Stille-DeRossett-Hale
22 single state construction code act, MCL 125.1522.

23 Sec. 39. (1) A governmental subdivision may not exempt
24 itself from the licensing requirements of this act and may not
25 engage in or require local licensing.

26 (2) Except as otherwise provided in subsection (3) and
27 section 15(2), (3), and (4), the state or a governmental

1 subdivision shall issue a plumbing permit only to a licensed
2 plumbing contractor. The state or a governmental subdivision
3 shall require the plumbing contractor to record his or her cur-
4 rent plumbing contractor license number on the permit
5 application. A licensed plumbing contractor shall designate 1 or
6 more licensed master plumbers employed full-time who directly
7 supervise the installation of plumbing to obtain permits using
8 the license number of the plumbing contractor. The master
9 plumber's license number must also be recorded on the permit
10 application.

11 (3) In those instances where business or industrial proce-
12 dure requires the regular employment of a full-time licensed
13 master plumber, a licensed master plumber shall be authorized to
14 secure permits for installations of plumbing on the premises
15 owned or occupied and used by the business provided the licensed
16 master plumber physically supervises the plumbing work and repre-
17 sents only the business or industrial employer. An annual affi-
18 davit furnished by the department shall be signed by both the
19 employer and the licensed master plumber and shall be kept on
20 file in the department. The filing fee for an affidavit shall be
21 determined by the department. A new affidavit must be filed
22 before permits will be issued if the licensed master plumber's
23 employment is terminated. The affidavit shall contain the
24 following:

25 (a) The name and business address of the person employing
26 the licensed master plumber.

1 (b) The name, address, and license number of the licensed
2 master plumber.

3 (c) A statement to the effect that the employer and licensed
4 master plumber will comply with the provisions of the act regu-
5 lating installation of plumbing in this state.

6 (4) A plumbing contractor licensed under this act who per-
7 forms work in a governmental subdivision shall register his or
8 her license with the enforcing agency which issues permits and
9 provides inspection services if required by the enforcing
10 agency. The registration is valid until the expiration date of
11 the plumbing contractor license. Registration shall be granted
12 by all governmental subdivisions in this state to a plumbing con-
13 tractor licensed under this act upon payment of a fee not to
14 exceed \$15.00.

15 (5) Master plumbers, journey plumbers, and apprentice plumb-
16 ers are required to carry their licenses and a
17 photo-identification. Upon the request of an enforcing agency,
18 licensees and apprentice registrants shall present their license
19 or registration and photo-identification.

20 (6) If the plumbing, reconstruction, alteration, or repair
21 of pipes, tanks, or fixtures is performed without compensation by
22 a person licensed under this act for or on behalf of a charitable
23 organization, the permit required under subsection (2) may be
24 obtained by the owner of the property on which the work is
25 performed. This subsection applies only to the reconstruction,
26 renovation, or remodeling of a 1-family to 4-family dwelling. As
27 used in this subsection, "charitable organization" means a

1 not-for-profit tax-exempt religious, educational, or humane
2 organization.

3 Sec. 41. (1) The department may investigate the activities
4 of a person licensed or registered under this act which are
5 related to the person's licensure or registration as a plumbing
6 contractor, master plumber, journey plumber, or apprentice plumb-
7 er, which activities include, but are not limited to, the grounds
8 described in subsection (2)(a) through (f). The department may
9 hold hearings pursuant to the administrative procedures act of
10 1969, 1969 PA 306, MCL 24.201 to 24.328, and shall report its
11 findings to the board.

12 (2) After an administrative hearing, the board shall proceed
13 under section 45 against a person if the board finds that 1 or
14 more of the following grounds for board action exist:

15 (a) The practice of fraud or deceit in obtaining a license
16 or registration under this act.

17 (b) The practice of fraud or deceit in the performance of
18 work for which a license or registration is required under this
19 act.

20 (c) An act of gross negligence.

21 (d) False advertising.

22 (e) An act which demonstrates incompetence.

23 (f) A violation of this act or rule promulgated under this
24 act.

25 (3) Notwithstanding section 45, the board upon recommenda-
26 tion of the department shall suspend or revoke the license of a
27 person whose failure to pay a lien claimant results in a payment

1 being made from the homeowner construction lien recovery fund
2 pursuant to the construction lien act, 1980 PA 497, MCL 570.1101
3 to 570.1305. The license shall not be renewed and a new license
4 shall not be issued until that person has made full restitution
5 to the fund, including the costs of litigation and interest at
6 the rate set by section 6013 of the revised judicature act of
7 1961, 1961 PA 236, MCL 600.6013.

8 (4) Activity regulated under this act shall not be performed
9 by a person whose license or registration has been suspended or
10 revoked or whose license or registration has expired.

11 Sec. 43. The board shall review the license of a person
12 upon notice by the department of community health that the person
13 has violated the asbestos abatement contractors licensing act,
14 1986 PA 135, MCL 338.3101 to 338.3319, and may suspend or revoke
15 that person's license for a knowing violation of that act.

16 Sec. 45. (1) After finding the existence of a violation
17 described in section 41 and after an opportunity for a hearing,
18 the board, except as otherwise provided in section 41(3) and
19 section 43, shall impose 1 or more of the following sanctions for
20 a violation:

21 (a) Suspension of the license or registration.

22 (b) Denial of the license or registration.

23 (c) Denial of renewal of a license or registration.

24 (d) Censure.

25 (e) Probation.

26 (f) Revocation of the license or registration.

1 (g) Restitution.

2 (2) If restitution is required to be made under this
3 section, the license or registration of the person required to
4 make restitution may be suspended until restitution is made.

5 Sec. 47. A person licensed or registered under this act who
6 commits a violation of this act, or a person not licensed or reg-
7 istered under this act who is performing any activity regulated
8 by this act and is not exempt from licensure or registration
9 under this act, is guilty of a misdemeanor punishable by a fine
10 of not less than \$1,000.00 per day for each day the violation
11 occurs except that a fine shall not exceed \$5,000.00 in total per
12 violation or punishable by imprisonment for not more than
13 90 days, or both.

14 Sec. 49. The attorney general, a local prosecuting attor-
15 ney, or an attorney representing a governmental subdivision may
16 initiate an action to enforce this act or rules promulgated under
17 this act.

18 Sec. 51. Any provision of this act which is inconsistent or
19 in conflict with the Stille-DeRossett-Hale single state construc-
20 tion code act is superseded by that act to the extent of the
21 inconsistency.

22 Sec. 53. Any proceedings pending before the plumbing board
23 under the authority of former 1929 PA 266 shall be continued and
24 be conducted and determined in accordance with the former
25 statute. A person licensed or registered under former 1929
26 PA 266 on the day immediately preceding the effective date of

1 this act is considered licensed or registered until the
2 expiration of the licensure or registration under that act.

3 Sec. 55. This act shall not be construed to relieve from or
4 lessen the responsibility or liability of any person owning,
5 operating, controlling, or installing plumbing for damages to
6 persons or property caused by any defect in the plumbing, and the
7 state of Michigan is not to be held as assuming any such liabil-
8 ity by reason of the inspection or the examination authorized in
9 that plumbing, the certificate of approval, or the license and
10 certificate issued under this act.

11 Sec. 57. The following acts are repealed:

12 (a) 1929 PA 266, MCL 338.901 to 338.917.

13 (b) 1901 PA 222, MCL 338.951 to 338.965.