



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 1273 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Alan Sanborn
Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend Article 24 (Residential Builders) of the Occupational Code to do the following:

- Require a residential builder and a residential maintenance and alteration contractor performing services valued at more than \$600 to furnish the owner with a written contract or work order.
- Require the Department of Labor and Economic Growth (DLEG) to make available a pamphlet on how to find reputable builders or remodelers.
- Require a residential builder or residential maintenance and alteration contractor to give the owner a copy of the pamphlet and, if the work were valued at \$600 or more, to get a written acknowledgement.
- Provide that failure to supply a homeowner with a contract or work order or a copy of the pamphlet would be punishable only by a maximum administrative fine of \$250.

The administrative fine would apply only if DLEG found a residential builder or residential maintenance and alteration contractor to be in violation the Code regarding an offense punishable under Section 602 (which prescribes administrative penalties, including license sanctions, for a violation of the Code or a rule or order promulgated or issued under it).

The bill would take effect 90 days after the date it was enacted.

Proposed MCL 339.2408

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would prescribe a \$250 maximum administrative fine that could be imposed on a licensee found in violation of the bill. The amount of revenue that would be generated depends on the number of fines assessed and paid.

Date Completed: 6-8-06

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