

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

***** 339.2404b.added THIS ADDED SECTION IS EFFECTIVE JUNE 1, 2008 *****

339.2404b.added Licensure as residential builder or residential maintenance and alteration contractor; completion of prelicensure course of study; exemption; continuing competency requirements; violation; approved courses; waiver of requirement of membership in trade association; subject matter and instructional qualifications; rules; alternate forms of continuing competency; department audit; application for inactive status; designation of licensee as inactive.

Sec. 2404b. (1) Beginning the effective date of the amendatory act that added this section, applicants for initial licensure either as a residential builder or as a residential maintenance and alteration contractor shall successfully complete a prelicensure course of study as prescribed by this subsection. Licensees holding a residential builder or a residential maintenance and alteration contractor license on the effective date of the amendatory act that added this section that are renewing a license in the capacity of an individual or qualifying officer, or both, are exempt from the requirement of successfully completing prelicensure courses described in this subsection. The department shall require an applicant not exempted under this subsection to successfully complete 60 hours of approved prelicensure courses consisting of at least 6 hours of courses in each of the following areas of competency:

- (a) Business management, estimating, and job costing.
- (b) Design and building science.
- (c) Contracts, liability, and risk management.
- (d) Marketing and sales.
- (e) Project management and scheduling.
- (f) The current Michigan residential code.

(g) Construction safety standards promulgated under the Michigan occupational safety and health act, 1974 PA 154, MCL 408.1001 to 408.1094.

(2) Beginning the calendar year after the effective date of the amendatory act that added this section, a person obtaining initial licensure under this article as a residential builder or a residential maintenance and alteration contractor shall successfully complete not less than 3 hours of activities demonstrating continuing competency per calendar year, during the first 6 calendar years of licensure, and 21 hours per 3-year time period since the issuance of his or her license. At least 3 hours shall be devoted to those activities designed to develop a licensee's understanding and ability to apply state building codes and laws relating to the licensed occupation, safety, and changes in construction and business management laws. A licensee who has held a license for more than 6 years or who has not been determined by the department in a final order to have violated this act or a rule adopted under this act shall successfully complete at least 3 hours of activities demonstrating continuing competency per license cycle to include 1 hour of codes, 1 hour of safety, and 1 hour of legal issues as described in this subsection.

(3) In the case of a licensee who has been determined by the department in a final order to have violated this act or a rule adopted under this act, he or she shall successfully complete, during the next complete license cycle, up to 21 hours of activities that demonstrate the development of continuing competency during that next license cycle as determined appropriate by order of the department, at least 3 hours of that continuing competency to include 1 hour of codes, 1 hour of safety, and 1 hour of legal issues as described in subsection (2).

(4) As activities that demonstrate the development of continuing competency, the education courses described in section 3, pages 3-6 through 3-58 of the January 2005 edition of the publication "NAHB University of Housing, Blueprint for Success", published by the national association of home builders, and taught by instructors meeting the requirements of section 4, pages 4-5 through 4-9 of the January 2005 edition of "NAHB University of Housing, Blueprint for Success", are considered approved, are considered appropriate for fulfilling the prelicensure and continuing competency requirements of subsections (1), (2), and (3), and are incorporated by reference. A licensee may take any courses equivalent to those courses incorporated by reference by this subsection. Updates to the courses described in this subsection or equivalent courses are acceptable unless the department determines that the courses do not provide a means of developing and maintaining continuing competency for those applicants or licensees who successfully fulfill the course requirements. Any construction code update courses approved by the bureau of construction codes as well as fire safety or workplace safety courses approved or sponsored by the department are also considered appropriate for fulfilling the continuing competency requirements of this subsection. The

department may, by rule, amend, supplement, update, substitute, or determine equivalency regarding any courses or alternate activities for developing continuing competency described in this subsection.

(5) The department may waive the requirement of membership in a local, state, or national trade association contained in the instructor standards of section 4, pages 4-5 through 4-9 of the January 2005 edition of the publication "NAHB University of Housing, Blueprint for Success", published by the national association of home builders, and incorporated by reference. By rule, the department may amend, supplement, update, substitute, or determine equivalency regarding the standards in this subsection and shall establish instructor qualifications for courses not incorporated by reference in subsection (4).

(6) The subject matter of the prelicensure and continuing competency activities may be offered by a high school, intermediate school district, community college, university, bureau of construction codes, Michigan occupational safety and health administration, trade association, or a proprietary school licensed by the department as meeting the subject matter qualifications described in subsection (4) and the instructional qualifications described in subsection (5).

(7) The department shall promulgate rules to provide for the following:

(a) Requirements other than those listed in subsection (4) for determining that a course meets the minimum criteria for developing and maintaining continuing competency.

(b) Requirements for acceptable courses offered at seminars and conventions by trade associations, research institutes, risk management entities, manufacturers, suppliers, governmental agencies other than those named in subsection (4), consulting agencies, or other entities.

(c) Acceptable distance learning.

(d) Alternate forms of continuing competency, including comprehensive testing, participation in mentoring programs, research, participation in code hearings conducted by the international code council, and publication of articles in a trade journal or regional magazine as an expert in the field. The alternate forms shall be designed to maintain and improve the licensee's ability to perform the occupation with competence and shall prescribe proofs that are necessary to demonstrate that the licensee has fulfilled the requirements of continuing competency.

(8) Each licensee may select approved courses in his or her subject matter area or specialty. Service as a lecturer or discussion leader in an approved course shall be counted toward the continuing competency requirements of this section. Alternate forms of continuing competency may be earned and documented as promulgated in rules by the department.

(9) The department may audit a predetermined percentage of licensees who renew in a year for compliance with the requirements of this section. Failure to comply with the audit or the requirements shall result in the investigation of a complaint initiated by the department, and the licensee is subject to the penalties prescribed in this act.

(10) A licensee as a residential builder or residential alteration and maintenance contractor may apply for inactive status by completing an application, made available by the department, in which he or she declares that he or she is no longer actively engaged in the practice authorized by his or her license and temporarily intends to suspend activity authorized by his or her license. Upon submission of a completed application, the department shall designate the licensee as inactive and note that status on records available to the public. A licensee designated as inactive must have a current copy of the Michigan residential code and is exempt from the continuing competency requirements imposed under this section, but must still pay the per-year license fee. An inactive licensee may activate his or her license by submitting an application to the department requesting activation of the license. Upon activation of a license, the licensee must complete at least 1 credit hour of continuing competency for that calendar year.

History: Add. 2007, Act 157, Eff. June 1, 2008.

Popular name: Act 299