



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 827 (as introduced 3-11-20)
Sponsor: Senator Roger Victory
Committee: Regulatory Reform

Date Completed: 9-1-20

CONTENT

The bill would amend Article 8 (Mechanical Contractors) of the Skilled Trades Regulation Act to modify provisions governing the application for a work classification examination.

The Act requires the Department of Licensing and Regulatory Affairs (LARA) to issue a mechanical contractor's license under Article 8 with one or more of the following classifications and limitations:

- Hydronic heating and cooling and process piping.
- Heating, ventilation, and air conditioning (HVAC) equipment.
- Ductwork.
- Refrigeration.
- Limited heating service.
- Limited refrigeration service.
- Unlimited heating service.
- Unlimited refrigeration service.
- Fire suppression.
- Specialty.

The bill would refer to refrigeration *and air conditioning* service.

Under the Act, an applicant is not eligible for a work classification examination under Article 8 unless the applicant meets the requirements provided in Article 2 (Issuance of Licenses), is of good moral character, and has a minimum of three years of experience, or an equivalent of that experience, that is acceptable to the Board of Mechanical Rules, and has shown to LARA, in one or more of the work classifications described above.

Instead, under the bill, an applicant would not be eligible for a work classification examination under Article 8 unless the applicant met the requirements provided in Article 2, was of good moral character, and met one or more of the following conditions: a) had a minimum of three years or 6,000 hours of experience in the work classification for which he or she was seeking a license, or an equivalent of that experience, that was acceptable to the Board and shown to LARA, in one or more of the work classifications described above or b) held currently, and had held continuously for at least three years immediately preceding his or her application, an active license under the Act in a work classification as HVAC equipment, refrigeration, limited heating, or limited refrigeration and air conditioning service and was applying for license in the following work classifications as applicable:

- Ductwork, limited or unlimited heating service, limited or unlimited refrigeration and air conditioning service, or specialty, if he or she currently held a license in HVAC equipment.
- Limited or unlimited refrigeration and air conditioning services if he or she currently held a license in refrigeration.
- Unlimited heating service, if he or she currently held a license in limited heating service.
- Unlimited refrigeration and air conditioning service, if he or she currently held a license in limited refrigeration and air conditioning service.

For purposes of the three years or 6,000 hours of experience requirement described above, and except in the case of equivalent experience, an applicant would have to provide to the Board and to LARA a notarized statement from each contractor of record that was the applicant's present or former mechanical contractor employer. The statement would have to include that the applicant had a minimum of three years or 6,000 hours of performance in each work classification for which the applicant was seeking a license and would have to include a detailed and specific description of the type of work performed by the applicant and the length of time he or she performed the work.

If an applicant provided evidence satisfactory to LARA that he or she had completed a two-year, or equivalent, HVAC program provided by a recognized trade school, community college, or university, and approved by the Board, LARA would have to credit the completion of that program toward the three years or 6,000 hours or work experience requirement. The amount credited, as determined by LARA, could not exceed one year or 2,000 of the three years or 6,000 hours required.

MCL 339.5807

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would not have a significant fiscal impact on State government and would have no fiscal impact on local units of government. To the extent that the new allowances and classifications would allow more individuals to complete an examination and apply for and obtain a license, the Department of Licensing and Regulatory Affairs could experience a minor increase in fee revenue. However, the magnitude of this increase would not be significant. Any administrative costs likely would be sufficiently provided for by current appropriations and staffing levels.

Fiscal Analyst: Elizabeth Raczkowski

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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.