

MICHIGAN BUILDERS LICENSING GUIDE

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1. HOW THE PROFESSION IS ORGANIZED IN MICHIGAN

OVERVIEW

This guide looks at things that you as a foreign-educated builder must do to become eligible for a builder's license in Michigan. At the same time, it includes some background and tips on the larger builder profession to give you an idea of the variety of opportunities available as you work to rebuild your career. The builder profession encompasses the following:

- Residential Builder

A Residential Builder may build a new home from the ground up or may do any kind of repairs regulated under Article 24 of the Occupational Code. The builder may contract for the whole job, but will have to subcontract for plumbing, electrical, and mechanical (heating, ventilation, air conditioning) work to licensed plumbing, electrical and mechanical contractors.

- Maintenance & Alteration Contractor

A Maintenance & Alteration (M&A) Contractor is licensed to perform only specific trades and services and may accept contracts only in the trade(s) or craft(s) for which he or she is licensed. The contractor's wall license and pocket card identifies the trades for which the M&A Contractor is licensed. The pocket card contains a letter code that represents the trade or trades in which that contractor is licensed. The M&A trades and their equivalent letter codes are: Carpentry (A); Concrete (B); Excavation (D); Insulation Work (G); Masonry (I); Painting & Decorating (J); Siding (K); Roofing (M); Screen & Storm Sash (N); Gutters (O); Tile & Marble (P); House Wrecking (R); Swimming Pools (S); and Basement Waterproofing (T).

REGULATION OF THE BUILDER PROFESSION IN MICHIGAN

The Bureau of Professional Licensing (BPL) within the Michigan Department of Licensing and Regulatory Affairs (LARA) regulates the builder profession in Michigan. Before you can be eligible for licensure, you must meet certain training requirements and pass a state board examination. The examination is administered by PSI Services LLC (PSI) through testing centers in Michigan.

2. ELIGIBILITY FOR LICENSING

I. The process for obtaining an Individual Residential Builder or Maintenance & Alteration Contractor license:

- 60 hours of approved prelicensure education courses
- Be at least 18 years of age
- Be of good moral character
- Submit any required documentation requested by the Department
- Pass the required examination.

II. Prelicensure

An applicant for a Residential Builder or Maintenance & Alteration Contractor license must complete 60 hours of approved prelicensure education prior to taking the examination or submitting a license application to the Department.

All prelicensure education courses must be approved by the Department. A list of approved prelicensure education courses is available on the Builders website at www.michigan.gov/builders under the "Spotlight" section. Courses are still being developed; therefore, please continue to visit the Builders website for updated information. The 60 hours of approved prelicensure courses must include at least six (6) hours in each subject below:

- 1) Business Management, Estimating, and Job Costing (6 hours);
- 2) Design and Building Science (6 hours)
- 3) Contracts, Liability, and Risk Management (6 hours);
- 4) Marketing and Sales (6 hours);
- 5) Project Management and Scheduling (6 hours);
- 6) The Michigan Residential Code (6 hours);
- 7) MIOSHA Construction Safety Standards (6 hours); and
- 8) The rest of the 18 hours may come from other topics on the approved course list.

III. Apply for an Individual Residential Builder or Maintenance & Alteration Contractor License

After you have completed the 60 hour prelicensure education requirement, you may obtain an Individual Residential Builder and Maintenance & Alteration Contractor License Application (CSCL/LBL-010) on the Builders website at www.michigan.gov/builders, under "Forms & Publications".

The license application must be completed and submitted with the application fee and a copy of your driver's license or state personal identification card. A copy of each official certificate(s) of completion given to you by the course provider must be attached to the license application for each course you have completed. The certificate(s) must document 60 hours of approved prelicensure courses. A course will not be accepted without the certificate(s) attached.

Individual Residential Builder applicants may also apply online at www.michigan.gov/mylicense. Online applicants must also submit a copy of their driver's license or state personal identification card to the Department. You may mail the copy of your identification to: LARA-BPL, Builders, P.O. Box 30670, Lansing, Michigan 48909 or fax to (517) 373-7179.

You must meet all requirements for licensure before receiving approval by the Department to take the examination that is required to obtain a Residential Builder or Maintenance & Alteration Contractor license. Once you receive an authorization to test (ATT) letter, you may contact PSI Services LLC, the exam provider, at 1-800-733-9267, or go to the website at www.psiexams.com, to register for the examination.

After you pass both portions of the examination, a license will be issued as an Individual Residential Builder or Individual Maintenance & Alteration Contractor. The individual license will allow you to perform work as a sole proprietor, under your personal name or an assumed name from your County Clerk's Office. The individual license may NOT be used for a corporation, limited liability company or partnership.

3. EXAMINATIONS

There are two parts to the examination for a **Residential Builder**: Business and Law; Practice and Trade. To determine what is covered on the examinations, please visit PSI's website at www.psiexams.com to download the appropriate Candidate Information Bulletin (CIB). The CIB provides helpful information regarding the examination, such as an outline of the examination, suggested reference list, etc.

Initial Residential Builder candidates: must register and sit for both parts of the exam during one examination session. The cost to take the examination is \$111. The cost to retake both parts is \$106.

Testing for only the Business and Law Examination or the Practice/Trade Examination is restricted to Residential Builder candidates who have previously passed one part and the passing score is still valid. The cost to retake Business and Law is \$66. The cost to retake Practice and Trade is \$76.

The passing score for the Business and Law portion is 36 and 73 for the Practice and Trade portion.

In order to be licensed as a Maintenance & Alteration (M&A) Contractor, you will be required to pass the Business and Law Examination as well as an examination for each trade(s) in which you wish to be licensed.

Initial M&A candidates: must register and sit for the minimum of the Business & Law and one Trade examination. M&A Candidates may sign up for a maximum of three parts per examination session.

The first time cost to take the three part exam including Business and Law and two trades is \$106. The first time cost to take the two part exam including Business and Law and one trade is \$91.

The cost to retake the three part exam is \$101. The cost to retake two parts of the exam (Business and Law and one trade OR two trades) is \$86. The cost to retake one part of the exam (Business and Law OR one trade) is \$66.

The passing score for the Business and Law portion is 36. The passing score is 72% for each trade.

4. TIME AND COSTS

To be successfully licensed as an Individual Residential Builder or Maintenance & Alteration Contractor in Michigan depends on a number of factors, including:

- Your completion of the prelicensure requirements
- Your performance on required examinations
- Your free time and what you can afford to spend on licensing

We provide two hypothetical scenarios to show just some of the variety of results that immigrant professionals may find when they seek to become licensed in Michigan. Please consider these scenarios as two examples out of many possibilities. Please understand that individual experiences may vary.

Step	More Efficient Scenario <i>Approximate Time and Cost</i>	Less Efficient Scenario <i>Approximate Time and Cost</i>
1 Prelicensure	<ul style="list-style-type: none"> • You complete the 60 hour prelicensure requirement within two weeks. • 2 weeks + \$349.95 <p>NOTE: The Corporations, Securities and Commercial Licensing Bureau does not regulate the cost of the approved educational courses so the cost may vary with each course.</p>	<ul style="list-style-type: none"> • You complete the 60 hour prelicensure requirement in 6 months. • 6 months + \$349.95 <p>NOTE: The Corporations, Securities and Commercial Licensing Bureau does not regulate the cost of the approved educational courses so the cost may vary with each course.</p>
2 Satisfaction of Requirements	<ul style="list-style-type: none"> • Submit application with \$195.00 application fee • Included copies of certificates confirming the completion of prelicensure requirements • Included copy of required personal ID • 3 weeks + \$195.00 	<ul style="list-style-type: none"> • Submit application with \$195.00 application fee • Included copies of certificates confirming completion of prelicensure requirements • Did not include copy of required personal ID • Did not respond immediately to Notice of Incomplete Application by providing copy of personal ID • 3 months + \$195.00
3 Exams	<ul style="list-style-type: none"> • Pass each portion of exam on first attempt • 1 month + \$111 	<ul style="list-style-type: none"> • Have to take Business and Law and Practice & Trade two times each • Takes 6 months to pass both parts of the exam • 6 months + \$212
	<ul style="list-style-type: none"> • More Efficient Total <i>Approximately 2 ½ months + \$655.95</i> 	<ul style="list-style-type: none"> • Less Efficient Total <i>Approximately 15 months + \$756.95</i>

5. OTHER CAREERS & CREDENTIALS

If you are conducting business as a corporation, limited liability company, or partnership, you must also apply for a second license which will be for the company. You may obtain a Corporation, Limited Liability Company, or Partnership Residential Builder and Maintenance & Alteration Contractor License Application (CSCL/LBL-020) on the Builders website at www.michigan.gov/builders, under "Forms & Publications".

A corporation, partnership, association, limited liability company, or other entity that applies for a license, must designate 1 of its officers, partners, or members or its managing agent as a qualifying officer. A qualifying officer is responsible for exercising the supervision or control of the building or construction operations and must maintain a license as an Individual Residential Builder or Maintenance & Alteration Contractor, as applicable.

SALESPERSON

Individuals selling the work of a Residential Builder, or Maintenance & Alteration Contractor, must be licensed as a Salesperson to that builder or contractor. A Salesperson can only be licensed to one residential builder or maintenance an alteration contractor at a given time.

You must contact PSI Services LLC at (800) 733-9267, or visit their website at www.psiexams.com, to register for the examination.

The cost to take or retake the exam is \$81. The passing score is 32.

Once you have passed the Salesperson examination, you must apply to the Department of Licensing and Regulatory Affairs for a salesperson license. You may obtain a Salesperson License Application (CSCL/LBL-011) on the Builders website at www.michigan.gov/builders, under "Forms & Publications".

In addition to successfully passing the exam, you must be at least 18 years of age; be of good moral character; and be employed by a licensed Residential Builder or Maintenance & Alteration Contractor.

BRANCH OFFICE

A Branch Office is a separate office location for a licensed Residential Builder or Maintenance & Alteration Contractor. If a builder or contractor is operating out of more than one location, the second location must be licensed as a Branch Office.

A licensed Residential Builder or Maintenance & Alteration Contractor may obtain a Branch Office license application (CSCL/LBL-012) on the Builders website at www.michigan.gov/builders, under Forms & Publications.

6. BEYOND LICENSING

MAINTAINING LICENSURE

Builder licenses expire on May 31 and must be renewed every three years. Licensees will receive a renewal notice approximately 90 days prior to the expiration date. You must renew the license online. The cost to renew is \$150. If your license expires for longer than 60 days, you will be required to apply for relicensure to reactivate your license.

As a condition of renewal, you must have a current copy of the Michigan residential code and must have successfully completed at least 3 hours of activities demonstrating continuing competency in each calendar year, during the first 6 calendar years of licensure, and 21 hours in each 3-year time period after the issuance of your 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.

7. IMPORTANT LINKS

LICENSING AND REGULATION

- The [Bureau of Professional Licensing](#) is the state regulatory agency for the builder profession in Michigan. The website specifically for the builder profession is www.michigan.gov/builders, which includes links to the builder profession's laws and administrative rules, applications, frequently asked questions, etc.
- Contact information: Department of Licensing and Regulatory Affairs, BPL – Licensing Division, PO Box 30670, Lansing MI 48909.
- Telephone Number 517-241-9288; Fax: 517-373-7179
Email: BPLhelp

TESTING

- Candidate Information Bulletins are available on PSI's website at www.psiexams.com or you may click one of the links below:

Exam bulletin for Individual Residential Builder

Exam bulletin for Maintenance & Alteration Contractor

Exam bulletin for Salesperson