

Licensing of Residential Builders and Design Professionals

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Licensing and Regulatory Affairs

Statutory Authority

Occupational Code Articles 1-6

General provisions for all professions within the Occupational Code

- Article 1 (MCL 339.101-339.105) – Definitions
- Article 2 (MCL 339.201-339.216) – Licensure Requirements
- Article 3 (MCL 339.301-339.317) – Boards
- Article 4 (MCL 339.401-339.411) – Fees
- Article 5 (MCL 339.501-339.559) – Complaints, investigations, hearings and petitions
- Article 6 (MCL 339.601 – 339.606) – Penalties



Statutory Authority

Occupational Code Article 20

[MCL 339.2001-339.2014]

Architects, Professional Engineers and Professional Surveyors

Occupational Code Article 24

[MCL 339.2401-339.2412]

Residential Builders and Maintenance & Alteration Contractors



Statutory Authority

Michigan Administrative Code - Rules

- Renewals (R 339.1001-339.1005)
- Disciplinary Proceedings (R 339.1701-339.1771)
- Residential Builders and Maintenance & Alteration Contractors (R 338.1511-338.1566)
- Architects (R 339.15101-339.15403)
- Professional Engineers (R 339.16001-339.16034)
- Professional Surveyors (R 339.17101-339.17404)



Statutory Authority

Other Relevant Statutes:

- Administrative Procedures Act – Rule promulgation
- State License Fee Act – specific fee amounts
- Occupational License for Former Offenders Act –
 - Definition and Application of “Good Moral Character”



License Types, Licensure Requirements and Practice

Residential Builder [MCL 339.2401(a)]

A person engaged in the construction of a residential structure or a combination residential and commercial structure who, for a fixed sum, price, fee, percentage, valuable consideration, or other compensation, other than wages for personal labor only, undertakes with another or offers to undertake or purports to have the capacity to undertake with another for the erection, construction, replacement, repair, alteration, or an addition to, subtraction from, improvement, wrecking of, or demolition of, a residential structure or combination residential and commercial structure; a person who manufactures, assembles, constructs, deals in, or distributes a residential or combination residential and commercial structure which is prefabricated, preassembled, precut, packaged, or shell housing; or a person who erects a residential structure or combination residential and commercial structure except for the person's own use and occupancy on the person's property.



License Types, Licensure Requirements and Practice

Residential Maintenance and Alteration Contractor [MCL 339.2401(b)]

A person who, for a fixed sum, price, fee, percentage, valuable consideration, or other compensation, other than wages for personal labor only, undertakes with another for the repair, alteration, or an addition to, subtraction from, improvement of, wrecking of, or demolition of a residential structure or combination residential and commercial structure, or building of a garage, or laying of concrete on residential property, or who engages in the purchase, substantial rehabilitation or improvement, and resale of a residential structure, engaging in that activity on the same structure more than twice in 1 calendar year, except in the following instances:

- If the work is for the person's own use and occupancy.
- If the rehabilitation or improvement work of residential type property or a structure is contracted for, with, or hired entirely to be done and performed for the owner by a person licensed under this article.
- If work is performed by a person employed by the owner to perform work for which the person is licensed by the state.



License Types, Licensure Requirements and Practice

Specific Trades Defined by [MCL 339.2404(3)]

- Carpentry
- Concrete
- Swimming Pool Installation
- Waterproofing a Basement
- Excavation
- Insulation Work
- Masonry Work
- Painting and Decorating
- Roofing
- Siding and Gutters
- Screen or Storm Sash Installation
- Tile and Marble Work
- House Wrecking



License Types, Licensure Requirements and Practice

Salesperson [MCL 339.2401(d)]

An employee or agent, other than a qualifying officer, of a licensed residential builder or residential maintenance and alteration contractor, who for a salary, wage, fee, percentage, commission, or other consideration, sells or attempts to sell, negotiates or attempts to negotiate, solicits for or attempts to solicit for, obtains or attempts to obtain a contract or commitment for, or furnishes or attempts or agrees to furnish, the goods and services of a residential builder or residential maintenance and alteration contractor, except a person working for a licensed residential builder or residential maintenance and alteration contractor who makes sales which are occasional and incidental to the person's principal employment.

[MCL 339.2407(1)] A salesperson shall be licensed in the employ of only 1 residential builder or maintenance and alteration contractor. If a salesperson desires to change employment from 1 residential builder or maintenance and alteration contractor to another, the license shall be forwarded to the department and application made for a transfer and the issuance of a new license under the salesperson's new employer.



License Types, Licensure Requirements and Practice

Exemptions [MCL 339.2403]

Engaging in business or acting in capacity of residential builder or residential maintenance and alteration contractor or salesperson without license.

- (a) An authorized representative of the United States government, this state, or a county, township, city, village, or other political subdivision of this state.
- (b) An owner of property, with reference to a structure on the property for the owner's own use and occupancy.
- (c) An owner of rental property, with reference to the maintenance and alteration of that rental property.



License Types, Licensure Requirements and Practice

Exemptions [MCL 339.2403] Cont'd...

- (d) An officer of a court acting within the terms of the officer's office.
- (e) A person other than the salesperson who engages solely in the business of performing work and services under contract with a residential builder or a residential maintenance and alteration contractor licensed under this article.



License Types, Licensure Requirements and Practice

Exemptions [MCL 339.2403] Cont'd...

- (f) A person working on 1 undertaking or project by 1 or more contracts, the aggregate contract price for which labor, material, and any other item is less than \$600.00. This exemption does not apply if the work of a construction is only a part of a larger or major operation, whether undertaken by the same or a different residential builder or residential maintenance and alteration contractor, or in which a division of the operation is made in contracts of amounts less than \$600.00, to evade this act.
- (g) An electrical contractor who is licensed under Act No. 217 of the Public Acts of 1956, as amended, being sections 338.881 to 338.892 of the Michigan Compiled Laws. This exemption applies only to the electrical installation, electrical maintenance, or electrical repair work performed by the electrical contractor.



License Types, Licensure Requirements and Practice

Exemptions [MCL 339.2403] Cont'd...

- (h) A plumbing contractor who is licensed under Act No. 266 of the Public Acts of 1929, as amended, being sections 338.901 to 338.917 of the Michigan Compiled Laws. This exemption applies only to plumbing installation, plumbing maintenance, or plumbing repair work performed by the plumbing contractor.
- (i) A mechanical contractor who is licensed under the mechanical contractors act. This exemption applies only to mechanical installation, mechanical maintenance, or mechanical repair work performed by the mechanical contractor.



License Types, Licensure Requirements and Practice

Exemptions [MCL 339.2503(1)]

This article shall not apply to an individual, partnership, association, or corporation, who as owner, sells or offers for sale a detached, single family dwelling, duplex, triplex, or quadruplex, which has never been occupied and which was built by the individual, partnership, association, or corporation while licensed under article 24...



License Types, Licensure Requirements and Practice

Licensure Requirements

- One year to complete licensure requirements upon application
- Three year license cycle
- Prelicensure education
 - 60 hours of approved courses consisting of at least 6 hours of courses in each of the following areas of competency:
 - » Business Management, estimating, and job costing
 - » Design and building science
 - » Contracts, liability, and risk management
 - » Marketing and sales
 - » Project management and scheduling
 - » The current Michigan residential code
 - » Construction safety standards
 - Approval process and requirements for courses in Rules 60, 62 & 66



License Types, Licensure Requirements and Practice

Licensure Requirements Cont'd...

- Identification required
- Must maintain a place of business in Michigan
- Good moral character and financial stability
- Nonresidents must file an irrevocable consent to service of process
- Required Examinations – PSI Services
 - » Business and Law
 - » Practice/Trade



License Types, Licensure Requirements and Practice

Licensure Requirements Cont'd...

- Companies
 - Licensed qualifying officer
 - Documents to verify business structure
- Continuing Competency
 - 21 hours per license cycle (first 6 years of licensure)
 - 3 hours per license cycle (codes, safety, legal issues)
 - Qualifying activities and topics defined in Rule 64
 - Licensee must maintain proof of completion for 5 years



License Types, Licensure Requirements and Practice

Practice

- Advertising (Rule 32)
 - Advertising shall not misrepresent material facts.
 - A licensee shall include the name, license number and actual business address as shown on the license in all advertising.
 - A license shall not solicit any contract for home improvements by a promise to the purchaser of a bonus for using the purchaser's dwelling for display or referring other purchasers.
 - A licensee making or attempting to make sales through the use of displays or models shall accurately portray the goods and services being offered so as to not mislead the public.



License Types, Licensure Requirements and Practice

Practice Cont'd...

- Purchases and Sales Agreements (Rule 33)
 - All agreements and changes to the agreements between a builder and the customer shall be in writing and signed by the parties.
 - The builder or contractor shall make certain that the written agreements clearly state the terms of the transaction including plans, specs, cost, type and amount of work, and type and quality of materials.
 - If a purchase or sales agreement is for a new structure which is either substantially completed or in substantial conformance with a model, plans and specifications need not be furnished if the structure is specifically identified to the model and are agreed to in writing.



License Types, Licensure Requirements and Practice

Practice Cont'd...

- Book and Records (Rule 34)
 - A builder or contractor shall keep and maintain a complete, accurate set of books and records which disclose the licensee's current financial condition.
 - Books and records shall be open to inspection by any person duly authorized.



License Types, Licensure Requirements and Practice

Practice Cont'd...

- Salesperson
 - Must carry identification card and show to every prospective customer.
 - Upon termination, employer must return license to the department.



License Types, Licensure Requirements and Practice

Violations

[MCL 339.604]

A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject to the penalties prescribed in section 602:

- (a) Practices fraud or deceit in obtaining license or registration.
- (b) Practices fraud, deceit, or dishonesty in practicing an occupation.
- (c) Violates a rule of conduct of an occupation.
- (d) Demonstrates a lack of good moral character.
- (e) Commits an act of gross negligence in practicing an occupation.
- (f) Practices false advertising.
- (g) Commits an act which demonstrates incompetence.



License Types, Licensure Requirements and Practice

Violations Cont'd...

[MCL 339.604]

A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject to the penalties prescribed in section 602:

- (h) Violates any other provision of this act or rule promulgated under this act for which a penalty is not otherwise prescribed.
- (i) Fails to comply with a subpoena issued under this act.
- (j) Fails to respond to a citation as required by section 555.
- (k) Violates or fails to comply with a final order issued by a board, including a stipulation, settlement agreement, or a citation.
- (l) Aids or abets another person in the unlicensed practice of an occupation.



License Types, Licensure Requirements and Practice

Violations Cont'd...[MCL 339.2411(2)]

- **A license or applicant who commits 1 or more of the following is subject to the penalties set forth in article 6:**
 - (a) Abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee.
 - (b) Diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of a construction project or operation, and the funds or property application or use for any other construction project or operation, obligation, or purposes.
 - (c) Failure to account for or remit money coming into the person's possession that belongs to others.
 - (d) A willful departure from or disregard of plans or specifications in a material respect and prejudicial to another, without consent of the owner or an authorized representative and without the consent of the person entitled to have the particular construction project or operation completed in accordance with the plans and specifications.



License Types, Licensure Requirements and Practice

Violations Cont'd...[MCL 339.2411(2)]

- **A license or applicant who commits 1 or more of the following is subject to the penalties set forth in article 6:**
 - (e) A willful violation of the building laws of this state or of a political subdivision of this state.
 - (f) In a residential maintenance and alteration contract, failure to furnish to a lender the purchaser's signed completion certificate executed upon completion of the work to be performed under the contract.
 - (g) If a licensed residential builder or licensed residential maintenance and alteration contractor, failure to notify the department within 10 days of a change in the control or direction of the business of the licensee resulting from a change in the licensee's partners, directors, officers, or trustees, or a change in the control or direction of the business of the licensee resulting from any other occurrence or event.



License Types, Licensure Requirements and Practice

Violations Cont'd...[MCL 339.2411(2)]

- **A license or applicant who commits 1 or more of the following is subject to the penalties set forth in article 6:**
 - (h) Failure to deliver to the purchaser the entire agreement of the parties including any finance or other charge arising out of or incidental to the agreement if the agreement involves repair, alteration, or addition to, subtraction from, improvement of, wrecking of, or demolition of a residential structure or combination of residential and commercial structure, building of a garage, laying of concrete on residential property, or manufacture, assemble, construction, sale or distribution of a residential or combination residential and commercial structure that is prefabricated, preassembled, precut, packaged, or shell housing.
 - (i) If a salesperson, failure to pay over immediately upon receipt money received by the salesperson, in connection with a transaction governed by this article to the residential builder or residential maintenance and alteration contractor under whom the salesperson is licensed.



License Types, Licensure Requirements and Practice

Violations Cont'd...[MCL 339.2411(2)]

- **A license or applicant who commits 1 or more of the following is subject to the penalties set forth in article 6:**
 - (j) Aiding or abetting an unlicensed person to evade this article, or knowingly combining or conspiring with, or acting as agent, partner, or associate for an unlicensed person, allowing one's license to be used by an unlicensed person, or acting as or being an ostensible licensed residential builder or licensed residential maintenance and alteration contractor for an undisclosed person who does or shall control or direct, or who may have the right to control or direct, directly or indirectly, the operations of a licensee.
 - (k) Acceptance of a commission, bonus, or other valuable consideration by a salesperson for the sale of goods or the performance of service specified in the article from a person other than the residential builder or residential maintenance and alteration contractor under whom the person is licensed.



License Types, Licensure Requirements and Practice

Violations Cont'd...[MCL 339.2411(2)]

- **A license or applicant who commits 1 or more of the following is subject to the penalties set forth in article 6:**
 - (l) Becoming insolvent, filing a bankruptcy action, becoming subject to a receivership, assigning for the benefit of creditors, failing to satisfy judgments or liens, or failing to pay an obligation as it becomes due in the ordinary course of business.

 - (m) Workmanship not meeting the standards of the Michigan residential code as promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.



License Types, Licensure Requirements and Practice

Violations Cont'd...

Rule 36. Acceptance or performance of a contract procured by a salesperson not licensed under a builder or contractor, or acceptance or performance of a contract, other than the sale of real property, procured by anyone not licensed under the act, is prohibited.

MCL 339.2405 – Disciplinary action against the license of a qualifying officer may affect the company's license.



Definitions

Architect [MCL 339.2001(a)]

“Architect” means a person who, by reason of knowledge of mathematics, the physical sciences, and the principles of architectural design, acquired by professional education and practical experience, is qualified to engage in the practice of architecture.

Definitions

Professional Engineer [MCL 339.2001(i)]

“Professional Engineer” means a person who, by reason of knowledge of mathematics, the physical sciences, and the principles of engineering, acquired by professional education and practical experience, is qualified to engage in the practice of professional engineering.

Definitions

Professional Surveyor [MCL 339.2001(j)]

“Professional Surveyor” means a person who, by reason of knowledge of law, mathematics, physical sciences, and techniques of measuring acquired by professional education and practical experience, is qualified to engage in the practice of professional surveying.

Architects, Professional Engineers and Professional Surveyors

Practice of Architecture

[MCL 339.2001(e)]

Architects

“Practice of architecture” means professional services, such as consultation, investigation, evaluation, planning, design, or review of material and completed phases of work in construction, alteration, or repair in connection with a public or private structure, building, equipment, works, or project if the professional service requires the application of a principle of architecture or architectural design.



Practice of Professional Engineering

[MCL 339.2001(g)]

Professional Engineering

“Practice of professional engineering” means professional services, such as consultation, investigation, evaluation, planning, design, or review of material and completed phases of work in construction, alteration, or repair in connection with a public or private utility, structure, building, machine, equipment, process, work, or project, if the professional service requires the application of engineering principles or data.

Practice of Professional Surveying

[MCL 339.2001(f)]

Professional Surveying

“Practice of Professional Surveying” means providing professional services such as consultation, investigation, testimony, evaluation, planning, mapping, assembling, and interpreting reliable scientific measurements and information relative to the location, size, shape, or physical features of the earth, improvements on the earth, the space above the earth, or any part of the earth, and the utilization and development of these facts and interpretations into an orderly survey map, plan, report, description, or project.

Architects, Professional Engineers and Professional Surveyors

Exemptions

- A professional engineer employed by a railroad or other interstate corporation, whose employment and practice is confined to the property of the corporation.
- A designer of a manufactured project, if the manufacturer of the product assumes responsibility for the quality of the product.
- An owner doing architectural, engineering, or surveying work upon or in connection with the construction of a building on the owner's property for the owner's own use to which employees and the public are not generally to have access.



Architects, Professional Engineers and Professional Surveyors

Exemptions Cont'd...

- A person not licensed under this article who is planning, designing, or directing the construction of a detached 1 and 2 family residence building not exceeding 3,500 square feet in calculated floor area. For purposes of this subdivision, detached 1 and 2 family residence building does not include an adult foster care home licensed under the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737.
- A person who is licensed to engage in the practice of architecture, professional engineering, or professional surveying in another state while temporarily in the state to present a proposal for services.
- Public work projects less than \$15,000



Architects, Professional Engineers and Professional Surveyors

Licensure Requirements

Architects

1. Exams: Architectural Registration Examination – National Council of Architectural Registration Boards (NCARB)
2. First professional degree in architecture – accredited by National Architectural Accrediting Board (NAAB)
3. Good moral character
4. Eight years of acceptable professional experience (not more than 6 years of education) which must be approved intern development program (guidelines by NCARB)
5. Five references (three licensed architects)



Architects, Professional Engineers and Professional Surveyors

Licensure Requirements Cont'd...

Professional Engineers

1. Exams: Fundamentals of Engineering, Principles and Practice of Engineering – National Council of Examiners for Engineering and Surveying (NCEES)
2. Baccalaureate in engineering – accredited by Accreditation Board for Engineering and Technology (ABET)
3. Good moral character
4. Eight years of acceptable professional experience (not more than 6 years of education) which must be under the direction of a licensed professional engineer
5. Five references (three professional engineers)



Architects, Professional Engineers and Professional Surveyors

Licensure Requirements Cont'd...

Professional Surveyors

1. Exams:
 - Fundamentals of Land Surveying, Principles and Practice of Land Surveying – National Council of Examiners for Engineering and Surveying (NCEES)
 - Michigan Principles and Practice – PSI Services
2. Good moral character
3. Eight years of acceptable professional experience (not more than 6 years of education) which must be under the direction of a licensed professional engineer
4. Five references (three professional surveyors)



Architects, Professional Engineers and Professional Surveyors

Licensure Requirements Cont'd...

Architects, Professional Engineers & Professional Surveyors

- May qualify by reciprocity – home state must have equivalent qualifications
- 10 years to complete licensure requirements upon application
- 2-year license cycle
- Continuing education – rules in process



Architects, Professional Engineers and Professional Surveyors

Practice

- A licensee, upon being licensed, shall obtain a seal authorized by the appropriate board and bearing the licensee’s name and the legend indicating either “licensed architect”, “licensed professional engineer” or “licensed professional surveyor”.
- A plan, plat, drawing map, and the title sheet of specifications, an addendum, bulletin, or report or, if a bound copy is submitted, the index sheets of a plan, specification, or report, if prepared by a licensee and required to be submitted to a governmental agency for approval or record, shall carry the embossed or printed seal of the person in responsible charge.
- If the overlapping profession of architecture and engineering is involved in a project, a licensed architect or licensed professional engineer who seals the plans, drawings, specifications, and reports may perform services in the field of the other practice if the services are incidental to the architectural or engineering project as a whole.



Architects, Professional Engineers and Professional Surveyors

Practice Cont'd...

- A licensee shall not seal a plan, drawing, map, plat, report, specification, or other document not prepared by the licensee or under supervision of the licensee as the person in responsible charge.
- Licensee must also sign adjacent to the seal.
- Licensee responsible for the security of the seal.



Architects, Professional Engineers and Professional Surveyors

Architects

Standards of Practice and Professional Conduct

(Rule 401)

- (1) An architect shall act with reasonable care and competence and shall apply the technical knowledge and skill which is ordinarily applied by architects of good standing who practice in the same or similar locality.
- (2) In designing a project, an architect shall take into account all applicable state and municipal building laws and regulations.
- (3) An architect shall undertake to perform professional services only when they, together with those whom the architect may engage as consultants, is qualified by education, training and experience in the areas involved.
- (4) Professional services shall be offered and performed in phases of a project which the licensee is competent by education and experience.
- (5) An architect shall not sign or affix a seal as architect to any plans or related documents which were not prepared by the licensee or under the licensee's direction and supervision.



Architects, Professional Engineers and Professional Surveyors

Architects

Standards of Practice and Professional Conduct

(Rule 402)

- (1) An architect shall not accept compensation for services from more than 1 party on a project, unless the circumstances are fully disclosed in writing and are agreed to in writing by all interested parties.

- (2) If acting as the interpreter of building contract documents and the judge of contract performance, an architect shall render decisions impartially.



Architects, Professional Engineers and Professional Surveyors

Architects

Standards of Practice and Professional Conduct

(Rule 403)

- (1) An architect making public statements on architectural questions shall disclose when he or she is being compensated for making such statements.
- (2) An architect shall accurately represent to a prospective or existing client or employer his or her qualifications.
- (3) An architect shall not misrepresent the degree of responsibility in connection with work for which he or she is claiming credit to a client, potential client or the public.
- (4) An architect shall report a violation of these rules by another architect to the board.



Architects, Professional Engineers and Professional Surveyors

Professional Engineers

Standards of Practice and Professional Conduct

(Rule 31)

- (1) In the solicitation of employment, a licensee shall not falsify or permit misrepresentation of the academic or professional qualifications of the licensee or the licensee's associates.
- (2) A licensee shall not offer to pay or give, directly or indirectly, to a client, potential client, the agent of a client, or the agent of a potential client, a commission, contribution, gift, or other substantial valuable consideration to secure or retain engineering work. This does not include payments to an employment agency for the purpose of securing employment or employees for salaried positions.
- (3) A licensee shall seek professional employment on the basis of the licensee's qualifications, competence, and ability to properly accomplish the employment sought.



Architects, Professional Engineers and Professional Surveyors

Professional Engineers

Standards of Practice and Professional Conduct

(Rule 32)

- (1) To avoid a conflict of interest, a licensee shall promptly inform, in writing, an employer or client of the licensee or a public body on which the licensee serves of any employment, business association, interest, duty, or circumstance if the employment, business association, interest, duty or circumstance is with another and involves the current or prospective work assignment of the licensee with that employer, client, or public body.
- (2) A licensee shall not accept compensation, financial or otherwise, from more than 1 party for services performed on the same project or assignment, unless the circumstances are fully disclosed to all parties that pay, or are required to approve payment, for the work performed by the licensee.
- (3) A licensee shall not solicit or accept gratuities, directly or indirectly, from contractors, their agents, or other parties dealing with the client or employer of the licensee in connection with work for which the licensee is responsible. A licensee shall not solicit or accept financial or other valuable consideration from another for specifying products or services.



Architects, Professional Engineers and Professional Surveyors

Professional Engineers

Standards of Practice and Professional Conduct

(Rule 33)

A licensee shall undertake to participate only in those phases of a project in which the licensee is competent. In the areas of a project involving architecture, professional engineering, and land surveying in which the licensee lacks competence, the licensee shall retain licensed professional associates for those phases of that project.



Architects, Professional Engineers and Professional Surveyors

Professional Engineers

Standards of Practice and Professional Conduct

(Rule 34)

On work for which the licensee is responsible, the procedures followed and the decisions made by persons under the licensee's supervision shall be subject to sustained review and approval by the licensee.



Architects, Professional Engineers and Professional Surveyors

Professional Surveyors

Standards of Practice and Professional Conduct

(Rule 401)

1. In the solicitation of employment, a licensee shall not falsify, or permit the misrepresentation of, the academic or professional qualifications of the licensee or the licensee's associates.
2. A licensee shall not offer to pay or give, directly or indirectly, to a client or potential client or the agent of a client or potential client, a commission, contribution, gift or other substantial valuable consideration to secure or retain professional surveying work. This restriction does not include payments to an employment agency for the purpose of securing employment or employees for salaried positions.
3. A licensee shall seek professional employment on the basis of the licensee's qualifications, competence, and ability to properly accomplish the employment sought.



Architects, Professional Engineers and Professional Surveyors

Professional Surveyors

Standards of Practice and Professional Conduct

(Rule 402)

1. To avoid a conflict of interest, a licensee shall promptly inform, in writing, an employer or client of the licensee or a public body on which the licensee serves of any employment, business association, interest, duty, or circumstance if that relationship is with another and involves the current or prospective work assignment of the licensee with that employer, client, or public body.
2. A licensee shall not accept compensation, financial or otherwise, from more than 1 party for services performed on the same project or assignment, unless the circumstances are fully disclosed to all parties that pay, or are required to approve payment, for the work performed by the licensee.
3. A licensee shall not solicit or accept gratuities, directly or indirectly, from contractors, their agents, or other parties dealing with the client or employer of the licensee in connection with work for which the licensee is responsible, nor shall the licensee solicit or accept financial or other valuable consideration from another for specifying products or services.



Architects, Professional Engineers and Professional Surveyors

Professional Surveyors

Standards of Practice and Professional Conduct

(Rule 403)

1. A licensee shall undertake to participate only in those phases of a project in which the licensee is competent. In the areas of a project involving architecture or professional engineering in which the licensee lacks competence, the licensee shall retain licensed professional associates for those phases of that project.
2. A licensee is responsible for clear, accurate, and complete development of plats, plans, drawings, specifications, survey reports, and other instruments of service as is customary in the practice of the licensee's profession, and the material shall properly satisfy the need for which it is intended.
3. Surveys and drawings not intended to delineate, monument, or define property boundaries and limits shall be clearly identified as not being boundary surveys.
4. Boundary surveys made to delineate, monument, define, or redefine property boundaries and limits shall be performed with an error of closure not greater than 1 unit for each 5,000 units measured or stated.
5. The information contained on a survey and drawing to be filed under Act No. 132 of the Public Acts of 1970 must contain specific terms.
6. A certificate shall bear the surveyor's original signature and seal.
7. Certificate of survey form guidelines.
8. Approval land recordation certificate sample.



Architects, Professional Engineers and Professional Surveyors

Professional Surveyors

Standards of Practice and Professional Conduct (Rule 404)

1. On work for which the licensee is responsible, the procedures followed and the decisions made by persons under the licensee's supervision shall be subject to sustained review and approval by the licensee.
2. The term "supervision" as used in sections 2008(3) and 2011(1) of the act and as used in this rule, shall be deemed to require such control by the licensed professional surveyor that he or she can certify that he or she is knowledgeable and has reviewed and approved all actions by unlicensed persons who have participated in the survey.
3. The term "supervision" means that all persons participating in the survey shall be in the employ of the licensed surveyor or the organization employing the licensed surveyor and each person in charge of field parties, computers, draftsmen, and researchers periodically reviews procedures followed, periodically reviews decisions made, and is instructed by the surveyor.



Architects, Professional Engineers and Professional Surveyors

Professional Surveyors

Standards of Practice and Professional Conduct

(Rule 404 Cont'd...)

4. Any office offering to perform land surveys shall have a licensed professional surveyor in charge of the operations, and the professional surveyor shall have full control of the survey operations. The licensed professional surveyor shall maintain regular hours at his or her office so that he or she can be contacted in person by the public.
5. The board and the department regard failing to properly supervise surveying operations as outlined in this rule as gross negligence.
6. A licensee shall not in any way aid or abet an unlicensed person to practice or offer to practice professional surveying.



License Types, Licensure Requirements and Practice

Violations

[MCL 339.604]

A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject to the penalties prescribed in section 602:

- (a) Practices fraud or deceit in obtaining license or registration.
- (b) Practices fraud, deceit, or dishonesty in practicing an occupation.
- (c) Violates a rule of conduct of an occupation.
- (d) Demonstrates a lack of good moral character.
- (e) Commits an act of gross negligence in practicing an occupation.
- (f) Practices false advertising.
- (g) Commits an act which demonstrates incompetence.



License Types, Licensure Requirements and Practice

Violations Cont'd...

[MCL 339.604]

A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject to the penalties prescribed in section 602:

- (h) Violates any other provision of this act or rule promulgated under this act for which a penalty is not otherwise prescribed.
- (i) Fails to comply with a subpoena issued under this act.
- (j) Fails to respond to a citation as required by section 555.
- (k) Violates or fails to comply with a final order issued by a board, including a stipulation, settlement agreement, or a citation.
- (l) Aids or abets another person in the unlicensed practice of an occupation.



Architects, Professional Engineers and Professional Surveyors

Violations

[MCL 339.2014] Prohibited conduct; penalties

A person is subject to the penalties set forth in article 6 who commits 1 of the following:

- Uses a term “architect”, “professional engineer”, “land surveyor”, “professional surveyor”, or a similar term in connection with the person’s name unless the person is licensed in the appropriate practice under this article.
- Presents or attempts to use as the person’s own the license or seal of another.
- Attempts to use an expired, suspended, or revoked license.
- Uses the words “architecture”, “professional engineering”, “land surveying”, “professional surveying”, or a similar term in a firm name without authorization by the appropriate board.
- Submits to a public official of this state or a political subdivision of this state for approval, a permit or a plan for filing as a public record, a specification, a report, or a land survey that does not bear 1 or more seals of a licensee as required by this article. This subdivision does not apply to a public work costing less than \$15,000.00 or a residential building containing not more than 3,500 square feet of calculated floor area.



Architects, Professional Engineers and Professional Surveyors

Architectural, Engineering, and Surveying Firms

- (1) A firm may engage in the practice of architecture, professional engineering, or professional surveying in this state, if not less than 2/3 of the principals of the firm are licensees.
- (2) However, a nonlicensed principal and the principal's firm shall apply for and receive an approval from the department to engage in the practice of architecture, professional engineering, or professional surveying, if the conduct of the firm and its principals comply with rules promulgated by the department.
- (3) Upon request by the department, a firm shall report to the department the names and addresses of its principals, persons in responsible charge, unlicensed principals, and any other information the department considers necessary.
- (4) A firm shall employ a person in responsible charge in the field of services offered at each place of business in the state where services are offered by the firm, except at a field office which provides only a review of construction.



Architects, Professional Engineers and Professional Surveyors

Architectural, Engineering, and Surveying Firms

“Person in responsible charge” means a person licensed under this article who determines technical questions of design and policy; advises the client; supervises and is in responsible charge of the work of subordinates; is the person whose professional skill and judgment are embodied in the plans, designs, plats, surveys, and advice involved in the services; and who supervises the review of material and completed phases of construction.



Licensing Statistics

Licenses Issued in 2012



Licensing Statistics Cont'd...

Active Licenses in 2012

• Builders/M&A Contractors/Salespersons	64,574
• Architects	5,495
• Professional Engineers	20,695
• Professional Surveyors	1,026



Useful Websites

www.michigan.gov/commerciallicensing

Licensing Division

Disciplinary Action Reports

www.michigan.gov/builders

Final Orders

www.michigan.gov/architects

www.michigan.gov/engineers

www.michigan.gov/surveyors

www.michigan.gov/licenselookup

Verify a License



References

Michigan Compiled Laws

- Occupational Code (339.101-339.2919)

Michigan Administrative Code

- Residential Builders and Maintenance and Alteration Contractors (R 338.1511-338.1566)
- Architects (R 339.15101-339.15403)
- Professional Engineers (R 339.16001-339.16034)
- Professional Surveyors (R 339.17101-339.17404)