STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS BUREAU OF PROFESSIONAL LICENSING BOARD OF RESIDENTIAL BUILDERS AND MAINTENANCE AND ALTERATION CONTRACTORS

In the Matter of

DANIEL RAYMOND JANNENGA License No. 21-01-206233, Respondent. Docket No. 17-014459 File No. 21-17-331587

AND

MICHIGAN REMODELING, INC. License No. 21-02-206698, Respondent. Docket No. 17-014460 File No. 21-17-331586

FINAL ORDER

On May 25, 2017, the Department of Attorney General, on behalf of the Department of Licensing and Regulatory Affairs executed Formal Complaints charging Respondents with violating the Occupational Code, MCL 339.101 *et seq.*

An administrative hearing was held in this matter before an administrative law judge who, on December 5, 2017, issued Hearing Reports setting forth Findings of Fact and Conclusions of Law.

The Michigan Board of Residential Builders and Maintenance and Alteration Contractors (Board), having reviewed the administrative record, considered this matter at a regularly scheduled meeting held in Lansing, Michigan on March 13, 2018, and received the administrative law judge's Findings of Fact and Conclusions of Law in the Hearing Reports.

Final Order File Nos. 21-17-331587 21-17-331586 IT IS ORDERED that for violating MCL 339.604(b), (c), (d), (h), and

339.2411(2)(a), and (2)(b), Respondents' licenses to practice as an individual builder and

a builder company in the state of Michigan are REVOKED.

IT IS FURTHER ORDERED that Respondents are jointly and severally

FINED \$7,500.00, to be paid to the State of Michigan.

IT IS FURTHER ORDERED that the fine shall be mailed to the **Department**

of Licensing and Regulatory Affairs, Enforcement Division, Compliance Section,

P.O. Box 30189, Lansing, MI 48909. The fine shall be paid by check or money order

made payable to the State of Michigan, and the check or money order shall clearly display

file numbers 21-17-331587 and 21-17-331586.

IT IS FURTHER ORDERED that Respondents shall pay RESTITUTION in

the amount of \$5,500.00 to Meredith Novak.

IT IS FURTHER ORDERED that Respondents shall submit satisfactory

written evidence of payment of the ordered restitution to the Department of Licensing

and Regulatory Affairs, Enforcement Division, Compliance Section, P.O. Box

30670, Lansing, MI 48909.

IT IS FURTHER ORDERED that, in accordance with MCL 339.411(3)(c),

339.602(c) and 339.604(k), no application for licensure, renewal, relicensure, or

reinstatement shall be granted until all final orders of the Board have been satisfied in full.

Final Order

File Nos. 21-17-331587

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IT IS FURTHER ORDERED that in the event Respondents violate any

provision of this Order, the Board may proceed to take disciplinary action pursuant to

MCL 339,604(k).

This Final Order is a public record required to be published and made

available to the public pursuant to the Michigan Freedom of Information Act, MCL 15.231

et seq.

IT IS FURTHER ORDERED that this Order shall be effective on the date

signed by the Chairperson of the Board or authorized representative, as set forth below.

MICHIGAN BOARD OF RESIDENTIAL BUILDERS AND MAINTENANCE AND ALTERATION CONTRACTORS

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STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS BUREAU OF PROFESSIONAL LICENSING BOARD OF RESIDENTIAL BUILDERS AND MAINTENANCE AND ALTERATION CONTRACTORS

In the Matter of

DANIEL RAYMOND JANNENGA License No. 21-01-206233 Complaint No. 21-17-331587

FORMAL COMPLAINT

Attorney General Bill Schuette, through Assistant Attorney General M.

Catherine Waskiewicz, on behalf of Complainant Department of Licensing and Regulatory Affairs, Bureau of Professional Licensing, files this Formal Complaint against Respondent Daniel Raymond Jannenga, alleging upon information and belief as follows:

- The Board of Residential Builders and Maintenance and Alteration Contractors is an administrative agency established under Article 24 of the Occupational Code, MCL 339.101 et seq.
- 2. Respondent is currently licensed as a residential builder pursuant to the Code. At all times relevant to the complaint, Respondent was the qualifying officer of Michigan Remodeling, Inc.
- 3. Section 2404a requires a licensee to provide information relating to his or her individual license and to any license issued to that person as a qualifying officer of another entity in the contract.

- 4. Section 2405(1) of the Code provides that a qualifying officer is responsible for exercising the supervision or control of the building or construction operations necessary to secure full compliance with Article 24 and the rules promulgated thereunder.
- 5. Section 2411(2)(a) of the Code requires the Board to penalize a licensee for abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee.
- 6. Section 2411(2)(b) of the Code requires the Board to penalize a licensee for diversion of funds or property received for prosecution or completion of a specific construction project or operation.
- 7. Section 604(b) of the Code requires the Board to penalize a licensee for practicing fraud, deceit, or dishonesty in practicing an occupation.
- 8. Section 604(c) of the Code requires the Board to penalize a licensee for violating a rule of conduct of an occupation.
- 9. Section 604(d) of the Code requires the Board to penalize a licensee for demonstrating a lack of good moral character. Section 104 of the Code provides that "good moral character" is defined in MCL 338.41 to mean "the propensity on the part of the person to serve the public in the licensed area in a fair, honest, and open manner."
- 10. Section 604(h) of the Code requires the Board to penalize a licensee for violating any other provision of the Code or a rule promulgated under the Code for which a penalty is not otherwise prescribed.

- 11. Mich Admin Code, R 338.1551(2) requires a licensee to reply to the Department within 15 days from receipt of a complaint and confirm or deny the justification of the complaint.
- 12. Section 514 of the Code authorizes the Board to assess penalties against a licensee based on an administrative law hearings examiner's hearing report.

FACTUAL ALLEGATIONS

- 13. On October 13, 2016, Respondent, on behalf of Michigan Remodeling, Inc., contracted with Meredith to remodel two bathrooms at her home in Mattawan, Michigan for \$13,863.26. The contract included a start date of mid-November 2016 and a completion date of mid-December 2016.
- 14. The contract did not include a license number for Respondent or Michigan Remodeling, Inc.
- 15. On October 28, 2016, Ms. : paid \$7,000 to Michigan Remodeling,
 Inc. as a down payment in accordance with the terms of the contract.
- 16. Respondent failed to commence the work or refund the down payment to Ms.
- 17. Respondent failed to respond to Ms. attempts to communicate with him.
- 18. On February 10, 2017, the Department mailed a Notice to Respondent to Respondent at his registered address. Respondent failed to respond to the Department's notice.

COUNT I

19. Respondent's conduct as described above constitutes a failure to include license information in a contract, contrary to section 2404a of the Code, in violation of section 604(h) of the Code.

COUNT II

20. Respondent's conduct as described above constitutes abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee, contrary to section 2411(2)(a) of the Code, in violation of section 604(h) of the Code.

COUNT III

21. Respondent's conduct as described above constitutes diversion of funds or property received for prosecution or completion of a specific construction project or operation, contrary to section 2411(2)(b) of the Code, in violation of section 604(h) of the Code.

COUNT IV

22. Respondent's conduct as described above constitutes fraud, deceit, or dishonesty in practicing an occupation, in violation of section 604(b) of the Code.

COUNT V

23. Respondent's conduct as described above constitutes a failure to reply to the Department within 15 days from receipt of a complaint, contrary to Mich Admin Code, R 338.1551(2), in violation of sections 604(c) and (h) of the Code.

COUNT VI

24. Respondent's conduct as described above demonstrates a lack of good moral character, in violation of section 604(d) of the Code.

WHEREFORE, Complainant, Department of Licensing and Regulatory

Affairs, hereby commences proceedings pursuant to the Administrative Procedures

Act of 1969, MCL 24.201 et seq., and the Occupational Code to determine whether

disciplinary action should be taken by the Department of Licensing and Regulatory

Affairs, pursuant to the Occupational Code, for the reasons set forth herein.

Any written response shall be submitted to the Bureau of Professional Licensing, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, Michigan 48909, with a copy to the undersigned assistant attorney general.

Respectfully submitted,

BILL SCHUETTE Attorney General

M. Catherine Waskiewicz (P73340)

M. Catherine Waskiewig

Assistant Attorney General

Licensing & Regulation Division

525 W. Ottawa, 3rd Floor, Wms Bldg.

P.O. Box 30758

Lansing, Michigan 48909

(517) 373-1146

Dated: May 25 2017

LF: 2017-0181367-A/Jannenga, Daniel Raymond, 331587 (Res Bldr)/Formal Complaint - 2017-05-18