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SFA**BILL ANALYSIS**

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Senate Bills 1215 and 1216 (as introduced 3-21-02)
Sponsor: Senator Bill Schuette
Committee: Judiciary

Date Completed: 5-7-02

CONTENT

Senate Bill 1215 would amend the Occupational Code to revise provisions pertaining to the regulation of interior designers. The bill would do all of the following:

- Specify that interior designers could perform services that did not "materially affect" mechanical, structural, electrical, or fire safety systems.
- Require the Department of Consumer and Industry Services (DCIS) to impose a triennial fee of up to \$20 for renewal of placement on the Department's list of qualified interior designers.
- Require the DCIS to remove from the list a person who failed to renew placement or who had died.
- Specify that a person approved to engage in interior design under the laws of another state or country would have to be placed on the DCIS list without examination if the other jurisdiction's requirements were substantially the same as Michigan's.

Senate Bill 1216 would amend the Single State Construction Code Act to require that certain construction documents be prepared by or under the supervision of an architect or professional engineer, and that interior design documents be prepared by an interior designer, subject to specified exceptions.

The bills are tie-barred.

Senate Bill 1215

Evidence of Compliance

The Occupational Code prohibits a person from engaging or attempting to engage in the practice of an occupation regulated under the Code or from using a title designated in the Code unless the person possesses a license or registration issued by the DCIS for that occupation. The bill would prohibit those practices unless the person possessed a license, registration, or other evidence of compliance with the Code.

Interior Design Services

The Code states that it does not apply to a person engaged in or practicing interior design. The bill would retain this provision but refer to interior design "as further described in subsection (10)" (of Section 601). Subsection (10) provides that an interior designer may perform services in connection with the design of interior spaces, including preparation of documents relative to finishes, systems furniture, furnishings, fixtures, equipment, and interior partitions, that do not affect the building mechanical, structural, electrical, or fire safety systems. The bill

would refer to those services that did not "materially affect" those systems. "Materially affect" would mean activity that did either or both of the following:

- Substantially and negatively impacted the health, safety, and welfare of the occupants of the interior space after installation of the finishes, systems furniture, furnishings, fixtures, equipment, lighting, and interior building partitions based upon placement or material composition.
- Violated the applicable building code or fire safety code.

Interior Designer Qualifications

Public Act 250 of 1998 amended the Occupational Code to create in the DCIS an advisory subcommittee on interior design. The advisory subcommittee was charged with compiling a list of individuals considered qualified to perform interior design services. The DCIS must make the list available to the State or any local unit of government capable of issuing permits under the Single State Construction Code Act.

Under the Code, "interior designer" means an individual engaged in interior design activities who meets one or more of the following criteria:

- Beginning on the effective date of Public Act 250 (October 1, 1998), has proof of passing the complete 1997 examination or other examination adopted by reference by the DCIS and offered by the National Council for Interior Design Qualification (NCIDQ).
- Was engaged, before October 1, 1998, in interior design activities and has proof of passing any complete examination offered by the NCIDQ.
- Until October 1, 1999, demonstrated to the advisory subcommittee on interior design that he or she was engaged in interior design activities and meets the qualifications of education and experience that would confer eligibility for sitting for the 1997 or other examination offered by the NCIDQ.

The bill would delete the second and third criteria, and include a person approved to engage in interior design under the laws of another state or country, as described below.

Interior Designer List & Fees

The Public Act 250 amendments allowed the DCIS Director to promulgate rules that could include reasonable fees charged to individuals seeking qualification for performing interior design services. Those rules require that, to be placed on the qualified interior designer list, a person apply to the DCIS and submit a \$20 fee (R 339.601). The bill specifies that, in addition to that \$20 fee, the DCIS would have to impose a fee of up to \$20 triennially for renewal of placement on the list.

The bill would require that the DCIS remove from the list a person who already had been placed on the list if he or she failed to renew placement or if the Department were presented evidence that the person was deceased.

Placement on the List of Out-of-State Interior Designer

The bill specifies that, upon submission of an application to the DCIS, a person licensed, registered, or otherwise regulated to engage in interior design under the laws of another state or country would have to be granted placement on the DCIS list of qualified interior designers, without examination, if the requirements of the other state or country were substantially equal to those in force in Michigan, as determined by the DCIS Director. The Director would have to determine that the examination successfully completed by the applicant from the other state

or country was given reciprocal status in the plurality of states as compared to other examinations.

Senate Bill 1216

Under the bill, construction documents for new construction, alteration, repair, expansion, addition, or modification for buildings or structures would have to be prepared by or under the supervision of an architect or professional engineer licensed under Article 20 of the Occupational Code. Those documents would have to include the name and address of the architect or professional engineer and bear that person's original signature, seal, or stamp and the date.

Interior design documents would have to be prepared by an interior designer. The documents would have to bear the person's name, business address, title, and number issued by the NCIDQ, if applicable, as well as the interior designer's original signature. This provision would authorize the issuance of a permit to a qualified interior designer for only those activities described in the interior design documents.

The following would be exempt from the bill's requirements:

- Alterations determined by the building official to be of a minor nature.
- Work completed by a governmental subdivision or State agency costing less than \$15,000 or to a building of use group R-3 or R-4 containing not more than 3,500 square feet of calculated floor area.

(Under the Michigan Building Code, R-3 refers to structures that are either residential, where occupants are primarily permanent in nature, and that do not contain more than two dwelling units, or adult and child care facilities that provide accommodations for five or fewer people for less than 24 hours. Also, under that Code, R-4 refers to structures that are arranged for occupancy as residential care/assisted living facilities, including more than five but not more than 16 occupants, excluding staff.)

"Interior design documents" would mean documents reflecting the activities described in Section 601(10) of the Occupational Code, performed by an interior designer.

MCL 339.601 & 339.601a (S.B. 1215)
Proposed MCL 125.1510a (S.B. 1216)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Senate Bill 1215

The bill would require the DCIS to charge a three-year fee of up to \$20 for renewal of placement on the list of interior designers, which would offset the cost of these additional administrative responsibilities. This bill would therefore be revenue neutral.

Senate Bill 1216

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Maria Tyszkiewicz

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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.