

## **BUREAU OF COMMERCIAL SERVICES ANNUAL REPORT FOR FISCAL YEAR 2011**

This annual report of the Bureau of Commercial Services for the period beginning October 1, 2010 and ending September 30, 2011 is submitted in accordance with Section 212 of the Michigan Occupational Code, PA 299 of 1980, being MCL 339.101 et seq., and on behalf of each of the statutory boards in accordance with Section 306(3) of the Code, *supra*.

The Bureau of Commercial Services mission is to encourage business growth in Michigan protecting the health, safety, and economic interests of Michigan citizens. The Bureau oversees two major programs: the licensing and regulation of occupations and the registration of business entities including corporations, limited liability corporations, limited liability partnerships, and partnerships. Overall, the Bureau provides services allowing for the economic mobility of individuals, and the formation of business organizations within the state, while protecting the Michigan consumer.

The Bureau of Commercial Services is organized by five major areas of responsibility: Bureau Administration & Administrative Services, Corporation Division, Enforcement Division, Licensing Division, and Compliance, & Cemetery Services Division. Bureau Administration & Administrative Services include: Overall Bureau policy direction; Informational Sales Program; Testing, Education, and Information Management Services; the Homeowner Construction Lien Recovery Fund; and other Bureau-level services or functions, including the Audit Section that conducts financial and other regulatory audits. The Corporation Division is divided into two sections: Document Review and Business Services. The Enforcement Division is divided into four functional units: Technical, Investigative Services, Ski Area & Amusement Safety Unit, and Division Director. The Licensing Division is organized into four units that administer applications and regulatory requirements for 31 occupations or professions and their various license types. The Compliance & Cemetery Division is responsible for drafting formal complaints, conduct of compliance and settlement conferences, coordination of legal representation at administrative hearings, represent the Bureau at select administrative hearings, final order compliance monitoring, and the review and response to Freedom of Information Act (FOIA) requests submitted to the bureau for records. The Division Director also serves as the State Cemetery Commissioner, who coordinates the administration of cemetery regulation within the State. The following chart provides a pictorial representation of the Bureau's offices. In the pages that follow, the role of each division is discussed relative to the two major programs administered by the Bureau of Commercial Services. A breakdown of appropriations follows; it should be emphasized that user fees fund both parts of the Bureau, or revenue generated by the Bureau's role as a licensing agency for commercial activity.

**BUREAU OF COMMERCIAL SERVICES**

**BUREAU ADMINISTRATION & ADMINISTRATIVE SERVICES**

Alan J. Schefke Director  
G. Ann Baker, Deputy Director

(517) 241-9223

**CORPORATION DIVISION**

Julia Dale, Director

(517) 241-3838

**LICENSING DIVISION**

Joyce Karr, Director (retired 11/30/2010)  
Martin Gibbs, Director (effective March 2011)

(517) 241-9221

**ENFORCEMENT DIVISION**

Barrington Carr, Director  
Lansing/Grand Rapids Regional Office  
Detroit Regional Office  
Marquette Regional Office

(517) 241-9208  
(517) 241-9202  
(313) 456-0310  
(906) 228-9870

**COMPLIANCE & CEMETERY DIVISION**

Stephen J. Gobbo, Director  
Office of Cemetery Commissioner

(517) 241-9267  
(517) 241-8070

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**BUREAU OF COMMERCIAL SERVICES**

Director  
Deputy Director  
& Administrative Svs

Corporation  
Division

Licensing  
Division

Enforcement  
Division

Compliance &  
Cemetery Division

**BUREAU OF COMMERCIAL SERVICES**

**FISCAL YEAR 2011 APPROPRIATION**

Appropriated F.T.E.'s	170.0
Licensing & Regulation Fees	\$10,914,500
Real Estate Education Fund	283,800
Real Estate Enforcement Fund	350,400
Real Estate Appraiser Continuing Education Fund	47,000
Residential Builder Enforcement Fund	415,600
GF/GP	0
Land Sales (Repealed 4/22/2010)	55,600
Construction Lien (Repealed 8/23/2010)	
Corporation Fees	5,539,200
Michigan Boxing Fund	58,400
Security Business Fund	312,000
Accountancy Enforcement Fund	408,100
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GROSS APPROPRIATIONS	<u>\$18,384,600</u>

## Legislative Summary

### Bureau of Commercial Services

**2010 PA 201** (SB 0610 of 2009), effective 10/05/2010, creates the “Commercial Real Estate Broker’s Lien Act”. It provides the circumstances under which a commercial real estate broker’s lien would attach to commercial real estate. It requires that the claim of lien be recorded before conveyance. It allows the recording and attachment of liens in cases of lease agreements, brokers acting as a buyer’s agent, and commissions owned on a purchase options. It provides that a prior-recorded lien or mortgage would have priority over a commercial real estate broker’s lien. It requires the establishment of an escrow account if a recorded broker’s lien would prevent a closing transaction. It prohibits a buyer or seller from refusing to close a transaction because of the escrow requirement. It authorizes a person claiming a commercial real estate broker’s lien to bring an action to enforce it in circuit court, and requires that the action be brought within one year after the lien was recorded. It allows an owner of commercial real estate to serve on a lien holder a demand to enforce the lien or to answer a claim. Finally, it specifies that a lien under this Act is only available to a licensed real estate broker.

**2010 PA 215** (HB 6196 of 2010), effective 11/23/2010, amends Article 7 of the Occupational Code to revise the qualifying experience requirements for receiving a certificate as a certified public accountant. It also expands the requirements for receiving a CPA certificate in Michigan based on holding a

certificate from another state or other United States jurisdiction.

**2010 PA 290** (SB 1455 of 2010), effective 12/16/2010, amends the Michigan Limited Liability Company Act to authorize the conversion of a LLC into another business organization and the conversion of a business organization into a LLC. It allows a LLC to indemnify or insure an LLC member, manager, or another person and repeals the previous authorization to indemnify or insure a manager. It provides that if certain conditions are established, a transaction cannot be enjoined, set aside, or give rise to damages or other sanctions because of a manager’s interest in the transaction. It revised the provisions regarding a judgment creditor of a LLC member, by specifying that a judgment creditor that obtained a charging order would not become a member of the LLC. It expanded the ways in which a person may be admitted as a member of a LLC. Finally, it provided for the dissolution of a LLC that had not yet commenced business.

**2010 PA 324** (HB 6374 of 2010), effective 12/21/2010, amends Article 20 (Architects, Engineers, and Land Surveyors) to require the completion of a program of continuing education for license renewal. It requires the Department of Energy, Labor, and Economic Growth (currently the Department of Licensing and Regulatory Affairs) to establish a program of continuing education for all Article 20 licensees.

**2010 PA 331** (SB 1115 of 2010), effective 12/21/2010, amends the Municipal Health Care Facilities Corporations Act to allow the board of trustees or a subsidiary board to restructure a municipal health facilities corporation or subsidiary located in Mecosta County as a nonprofit corporation. It requires the board to adopt a restructuring plan. It requires the approval of the governing body of the local unit of government for the restructuring. It refers to a sale or transfer, rather than reorganization, in provisions regarding a change in ownership or operation of a corporation or subsidiary or health care facilities and services.

**2010 PA 359** (SB 1091 of 2010), effective 12/22/2010, amends the Professional Investigator Licensure Act to revise an exemption from licensure for certified public accountants. It provides that a person, firm, partnership, company, limited liability company, or corporation may not engage in the business of professional investigator for hire, fee, or reward, and may not advertise its business to be that of a professional investigator, without first obtaining a license. The act does not apply to a CPA or public accounting firm currently licensed, registered, or certified by a regulatory agency of this or any other state, including the employees of the CPA or firm acting within the scope of the individuals' or firms' professional practice.

**2010 PA 370** (SB 1037 of 2009), effective 07/01/2011, creates the Michigan Professional Employer Organization Regulatory Act. It prohibits a person from holding itself out as providing professional employer services in

Michigan unless licensed as a professional employer organization (PEO). It sets forth the requirements for the operation and licensure of PEOs, including financial reporting and auditing. It requires each PEO operating in Michigan on the Act's effective date to apply to LARA for a license within 180 days. It requires a PEO not operating in Michigan on the Act's effective date to apply for licensure before commencing operations. It establishes fees for the licensure and renewals of a PEO license. It provides for limited licensure of certain PEOs domiciled outside of Michigan. It establishes working capital and bonding requirements for PEOs. It prohibits a person with a felony conviction, relating to the operation of a PEO, from owning or controlling a PEO in Michigan. It establishes requirements for professional employer agreements between PEOs and their clients, including the responsibility for complying with the Worker's Disability Compensation Act. It sets forth the responsibilities of PEOs and their clients with regard to supervision of employees, legal liability, pay and benefits, and payment of taxes. Finally, it specifies certain prohibitions, sanctions, and criminal penalties.

**2011 PA 33** (HB 4113 of 2011), effective 05/24/2011, amends Article 25 (Real Estate Brokers and Salespersons) of the Occupational Code to require the real estate broker that employed a real estate salesperson to retain custody and control of the salesperson's certificate of license and deliver the pocket card for that license to the salesperson. It deletes the requirement that a real estate broker display its license and the license of each real estate salesperson, employed by the broker, in the broker's place of business. It requires a real estate salesperson to

provide proof of his or her licensure to a broker that employs him or her. It deletes the requirement that the Department of Energy, Labor, and Economic Growth (currently the Department of Licensing and Regulatory Affairs) issue a temporary real estate salesperson's license to an applicant under certain circumstances.

**2011 PA 34** (HB 4227 of 2011), effective 05/24/2011, creates a new act to prohibit transfer fee covenants from attaching to the title of real property and to void any lien purposed to secure payment of a transfer fee. This act applies to nonresidential property. It provides that a transfer fee covenant that was executed on or after the bill's effective date, whether or not it was recorded, could not run with the title to the real property and would not be binding on or enforceable against any subsequent owner, purchaser, or mortgagee of any interest in the real property as an equitable servitude or otherwise. Any lien purporting to secure the payment of a transfer fee under a transfer fee covenant that was executed on or after the bill's effective date would be void. It also provides that any person aggrieved by the imposition of a transfer fee, could bring an action to clear the title and void the transfer fee and for other equitable relief. Finally, it provides that in a successful action, the court would award actual reasonable attorney fees and other costs of bringing the action.

**2011 PA 35** (HB 4228 of 2011), effective 05/24/2011, creates a new act to prohibit transfer fee covenants from attaching to the title of real property and to void any lien purposed to secure payment of a transfer fee. This act applies to residential property. It provides that a transfer fee covenant that was executed on or after the bill's effective date, whether or not it was

recorded, could not run with the title to the real property and would not be binding on or enforceable against any subsequent owner, purchaser, or mortgagee of any interest in the real property as an equitable servitude or otherwise. Any lien purporting to secure the payment of a transfer fee under a transfer fee covenant that was executed on or after the bill's effective date would be void. It also provides that any person aggrieved by the imposition of a transfer fee, could bring an action to clear the title and void the transfer fee and for other equitable relief. Finally, it provides that in a successful action, the court would award actual reasonable attorney fees and other costs of bringing the action.

**2011 PA 38** (HB 4361 of 2011), effective 10/1/2011, amends the Income Tax Act, eliminating numerous credits, deductions and exemptions, as well as changing future tax rates. It creates a new Corporate Income Tax, which will be levied on business organized as traditional corporations under Federal law.

**2011 PA 39** (HB 4362 of 2011), effective 5/25/2011, amends the Michigan Business Tax (MBT) Act to allow certain taxpayers that wish to claim select credits allowed under the law to continue claiming those credits if they continue to file returns under the MBT Act.

**2011 PA 40** (HB 4479 of 2011), effective 5/25/2011, amends the Multistate Tax Compact to remove the option for certain out-of-state taxpayers to apportion their tax base (under either the MBT or the new Corporate Income Tax) using an equally weighted three-factor formula instead of the 100% sales factor formula specified in the MBT and the Corporate Income Tax.

**2011 PA 112** (HB 4456 of 2011), effective 07/20/2011, amends Public Act 58 of 1915, which regulates the establishment and maintenance of a corporation operating a crematorium or columbarium. It eliminates the prohibitions against the encumbrance of a corporation's land. It requires a corporation, landlord, mortgagee, or lender to file and maintain a corporate surety bond and a cash bond, which cannot be less than \$100,000 in total. It requires the duration of a lease to be at least five years, if land or buildings were leased pursuant to the bill.

**2011 PA 125** (HB 4584 of 2011), effective 01/01/2012, amends the Michigan Professional Employer Organization Regulatory Act. It delayed the Act's effective date from July 1, 2011 to January 1, 2012. It specifies that certain provisions of the act would apply beginning September 1, 2012. It allows the Department of Licensing and Regulatory Affairs to adjust the fee for a PEO license every two years, rather than every three years, based on the change in the Detroit consumer price index. It makes the term of a license one year, rather than three. It requires an initial license be issued for a term from its effective date until the first or second August 31 after that date, and requires the fee to be adjusted for an initial license with an effective date that was not September 1.

**2011 PA 195** (SB 0374 of 2011), effective 10/18/2011, amended the Municipal Health Facilities Corporations Act to delete the requirement that three people be nominated for a position on the board of a municipal health facilities corporation or subsidiary corporation. It requires a board

of trustees to fill vacancies subject to approval of the local governing body.

**2011 PA 220** (SB 0396 of 2011), effective 11/15/2011, amends Public Act 72 of 1857, which governs Albion College. It revises the membership requirements of the college's board of trustees. It provides that volunteer trustees and non-trustee volunteers who were officers would not be liable to the college for monetary damages for a breach of fiduciary duty, subject to certain exceptions. It provides that the college would assume liability for acts or omissions of volunteer trustees and non-trustee volunteers, if certain conditions were met.

## **Bureau of Commercial Services**

### **Corporation Division**

The Corporation Division promotes economic development and growth by facilitating the formation and development of business entities in the State of Michigan. Further, the division enables domestic and foreign corporations, limited partnerships, limited liability partnerships and limited liability companies to transact business in the State. The Corporate Services program consists of forty-three full time positions that are allocated to the Corporation Division. Within the Corporation Division, the program is divided into the Document Review Section and the Business Services Section. During fiscal year 2011, this program generated over \$21,276,172.61 in revenue.

The Document Review Section provides services that enable domestic corporations, limited partnerships, limited liability partnerships and limited liability companies to be formed and foreign entities to qualify to transact business in the State. Articles of Incorporation, Certificates of Limited Partnership and Articles of Organization are reviewed and filed by this Section. Review requires extensive knowledge of corporation and partnership law and a thorough knowledge of the Bureau's policies, guidelines, and procedures. During fiscal year 2011, 17,935 new corporations, 53,556 limited liability companies, 193 limited partnerships and 179 limited liability partnerships were qualified to transact business in the State. During the fiscal year 856 Trademarks were registered.

Each corporation is required to file an annual report. The Business Services Section reviewed 400,431 annual reports and 108, 333 were filed online in fiscal year 2011.

The Business Services Section responded to 169,359 telephone inquiries regarding name availability and general information on corporations, limited partnerships and limited liability companies in fiscal year 2011. In addition, the Unit received 7,408 requests for information. The Section also received 26,817 requests for copies of documents. Records for corporation documents, partnership documents, limited liability company documents and annual reports are maintained on computer and each transaction represents one or more computer entries. All documents and annual reports are stored on microfilm and an image system. Presently, records are maintained for 675,258 active corporations, limited liability partnerships, limited partnerships and limited liability companies.



## **Extension Report**

### **Bureau of Commercial Services**

#### **Enforcement Division**

The Enforcement Division is responsible for regulatory oversight and the investigation and prosecution of consumer complaint files against licensees involving various statutory and rule violations. The Division works with gubernatorial appointed occupational and professional licensing boards to ensure appropriate criminal, civil or administrative actions are taken to protect the health, safety and welfare of the citizens of Michigan.

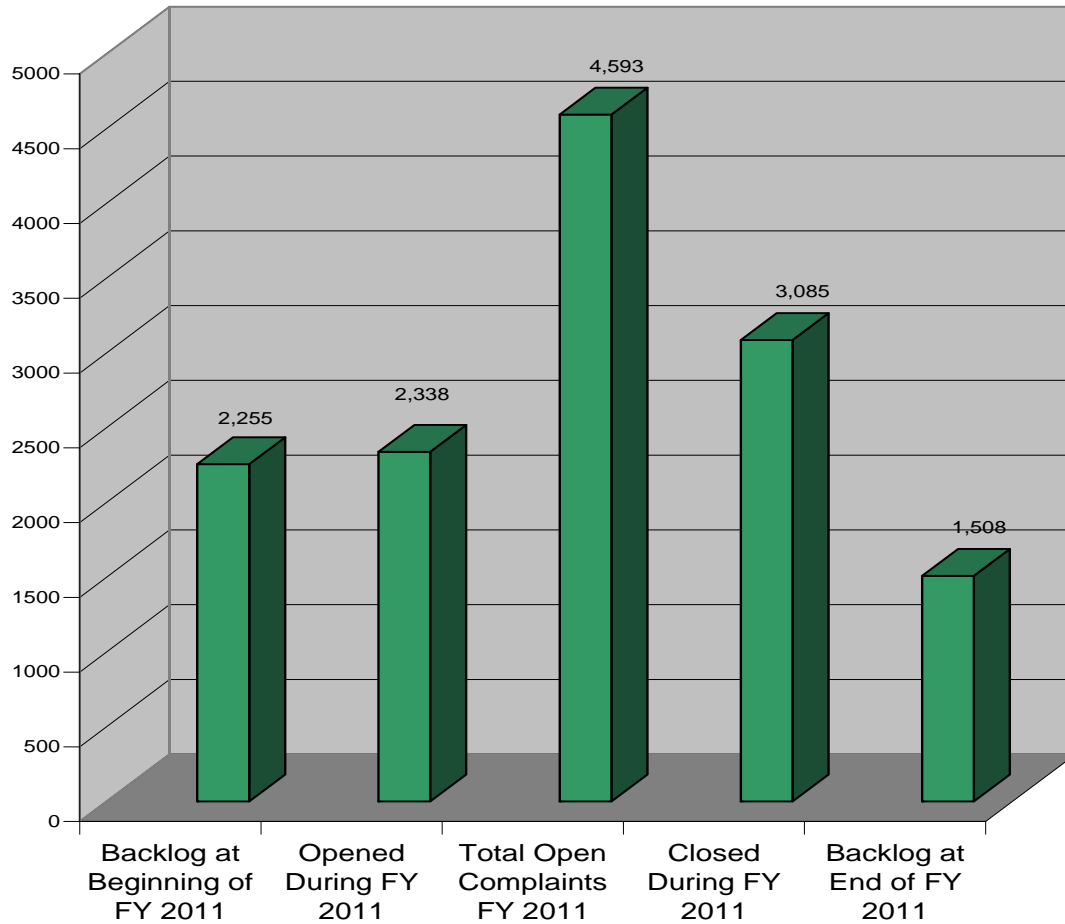
The Enforcement Division is divided into four functional units: Technical, Investigative Services, Ski-Area & Amusement Safety and Administration. The Division is comprised of the management of 4 regional offices, a preliminary review unit, ski area & amusement safety unit, small administrative unit, an unarmed combat regulatory program, a good moral character determination program, five inspectional programs, and a complaint process program. The Enforcement Division has 35 employees. It handles a wide range of enforcement activities amongst 31 different commercial occupations and professions. It is responsible for all enforcement actions against individuals and businesses to ensure compliance with the various licensing laws it regulates.

Pursuant to Section 504(1) of the Occupational Code, Public Act 299 of 1980, as amended, the Enforcement Division shall request an extension for all complaints, which were not completed within 30 days of the date of receipt. During fiscal year 2011, the Enforcement Division requested extensions for 1,614 complaints.

**Bureau of Commercial Services**  
**Enforcement Statistics FY 11**

<b>Occupations and Professions</b>	<b>Open Complaints at Beginning of FY 2011</b>	<b>Opened During FY 2011</b>	<b>Total Open Complaints FY 2011</b>	<b>Closed During FY 2011</b>	<b>Open Complaints at End of FY 2011</b>
Accountancy	116	90	206	130	76
Appraisers	268	161	429	281	148
Architects	9	6	15	8	7
Unarmed Combat	21	28	49	24	25
Barber Examiners	91	106	197	171	26
Carnival-Amusement Safety Board	0	0	0	0	0
Residential Builders & M&A Contractors	696	713	1409	885	524
Cemetery Regulation	104	72	176	83	93
Collection Practices Board	95	136	231	171	60
Professional Community Planners	0	0	0	0	0
Cosmetology	224	401	625	442	183
Foresters	1	3	4	4	0
Prepaid Funeral Contract Funding	113	36	149	117	32
Hearing Aid Dealers	1	8	9	3	6
Immigration Clerical Assistant	0	0	0	0	0
Landscape Architects	0	2	2	2	0
Professional Surveyors	20	4	24	16	8
Examiners in Mortuary Science	176	78	254	195	59
Forensic Polygraph Examiners	0	1	1	1	0
Personnel Agency	1	5	6	6	0
Professional Engineers	7	11	18	5	13
Real Estate Brokers & Salesperson	280	409	689	470	219
Ski Area Safety	0	0	0	0	0
No Jurisdiction Board	1	39	40	29	11
Private Investigators	21	9	30	22	8
Security Alarm	4	8	12	8	4
Security Guard	5	6	11	6	5
Auctioneers	1	4	5	4	1
<b><u>Totals</u></b>	<b><u>2255</u></b>	<b><u>2338</u></b>	<b><u>4593</u></b>	<b><u>3085</u></b>	<b><u>1508</u></b>

### Enforcement Statistics FY 2011



### Enforcement Division Inspection Statistics FY 2011

Board	Assigned	Closed
Barbers	118	86
Carnival /Amusement	1168	348
Cosmetology	981	813
Mortuary Science	28	31
Ski Areas	89	1091
Total	3229	3325

## **Bureau of Commercial Services**

### **Administrative Services**

Administrative Services has eighteen FTE's and includes: the Audit Section; Informational Sales Program; Testing, Education and Information Management; Services; and the Homeowner Construction Lien Recovery Fund. The area performs services benefiting the operations of other offices within the Bureau. These services included document imaging, computer support services, web design, cashiering, budget and financial monitoring, and human resources.

### **Testing & Education Services**

The Testing and Education Services Unit serves as the governing body covering testing and education needs for 29 licenses administered by the Bureau of Commercial Services.

These licensure examinations are designed to measure an individual's entry-level competency to protect the public's health, safety and welfare. The examinations are developed and administered by either national organizations or external vendors. This Unit is also the Contract Administrator for all contracts related to testing.

Testing and Education Services also approves schools providing the pre-licensure courses to candidates applying for a real estate salesperson, real estate broker and real estate appraiser license.

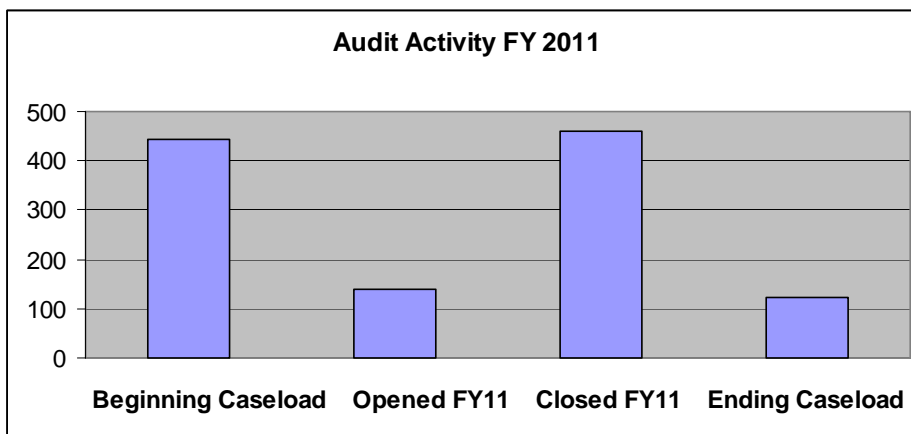
This unit provides the review and approval of the sponsors and courses for the continuing education of real estate salespersons, real estate brokers and real estate appraisers. This unit also maintains and updates listings of the continuing education hours for the same licenses.

## **Informational Sales Program**

Per statute, the Bureau is allowed to sell licensing data. During Fiscal Year 2011 the Informational Sales Program received 454 inquiries and made 182 sales, totaling \$17,614.00 in revenue. Corporation data was also sold by subscription. This brought in \$329,766 in revenue.

## Audit Section

The Audit Section conducts audits of the financial records of licensees who maintain trust or escrow accounts on behalf of the public in professions under our jurisdiction. These professions include real estate brokers, residential builders, prepaid funeral contracts, collection agencies, and privately owned cemeteries. The audits are conducted on a compliant, routine, or random basis. During fiscal year 2011 the Audit Section opened 139 audit files and completed 460 audits. They also reviewed 133 annual reports of cemeteries, 68 annual reports of crematories, 628 prepaid funeral and cemetery sales act annual reports and 724 collection agency annual reports. The Audit Section investigates missing cemetery and prepaid funeral trust or escrow funds. During the period covered by this annual report the Section was involved in the investigation of approximately \$2,480,231 in alleged missing prepaid contract funds and other regulatory violations. Furthermore, the audit section was instrumental in the investigation and conviction of an individual for conversion of prepaid funeral contracts amounting to approximately \$616,358. In addition, the audit section was instrumental in the conviction of an individual for conversion of cemetery trust funds amounting to approximately \$70,000,000.



**Michigan Homeowner  
Construction Lien  
Recovery Fund**

The Michigan Homeowner Construction Lien Recovery Fund (Fund) was created under Part 2 of Public Act 497 of 1980, as amended, the Construction Lien Act, to provide protection to a homeowner who has, in good faith, compensated a contractor for materials and labor and that the contractor failed to compensate suppliers, subcontractors, and/or laborers.

2005	150,437	\$620,863.31
2006	154,997	\$940,406.84
2007	158,713	\$1,078,623.29
2008	159,963	\$1,235,953.00
2009	162,340	\$1,288,485.74
2010	164,087*	\$457,696.03
2011	164,087*	\$48,271.06

\* Membership as of 8/23/2010 repeal date.

The Fund became insolvent with a declining balance an ineffective funding source to cover in excess of \$13.7 million dollars worth of pending claims. **The Fund was repealed through legislative action that was implemented through 1010 PA 147, effective August 23, 2010.**

The Homeowners Construction Lien Recovery Fund received 0 claims in Fiscal Year 2011 and paid out \$48,271.06 for 6 claims.

<u>Fiscal Year</u>	<u>Total Members</u>	<u>Amount Paid in Claims</u>
1983	45,000	\$ -0-
1984	1,500	\$3,969.46
1985	7,658	\$6,669.89
1986	61,379	\$29,942.67
1987	65,697	\$43,478.50
1988	70,494	\$117,856.59
1989	76,013	\$120,743.55
1990	82,540	\$102,783.57
1991	89,393	\$99,349.84
1992	91,730	\$274,032.14
1993	98,666	\$539,682.42
1993	105,575	\$516,689.49
1995	112,232	\$402,676.45
1996	119,100	\$292,557.35
1997	125,876	\$432,685.20
1998	131,524	\$326,665.01
1999	125,110	\$439,839.62
2000	114,700	\$419,949.24
2001	121,192	\$568,798.55
2002	123,700	\$418,350.88
2003	161,000	\$722,965.81
2004	143,447	\$233,976.00

## **Bureau of Commercial Services**

### **Regulatory Compliance Division**

The Division administers compliance and hearing proceedings, Freedom of Information Act requirements, court appeals & litigation support, and agency representation, including services provided by the Department of Attorney General. The Division works closely with all Bureau areas to provide assistance on legal matters and to prosecute agency cases; it also coordinates activities with the Michigan Administrative Hearing System (MAHS) for the scheduling of contested case, due process hearings. The Division Director also serves as the State Cemetery Commissioner, as a designee of the Department Director, and is responsible for coordinating the administration of cemetery regulation within the State.

### HEARINGS

Hearings Held	177
New Hearings Opened	267
Hearings Closed	282
Other Hearings actions (Requiring document service)	222

### COMPLIANCE CONFERENCES

Scheduled	305
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### FOIA

Requests	407
Billing Amount	\$51,502.13

<u>FINAL ORDERS SERVED</u>	415
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<u>COMPLAINTS ISSUED</u>	443
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### **Final Order Compliance Monitoring**

The licensing boards can impose through a Final Order (FO) both financial (fines) and non-financial penalties on an individual violating the statutes governing a licensed profession. These non-financial penalties may include the prescription of continuing education to remedy shortcomings in professional conduct, CPA attested Financial Reports, or restitution to injured parties. The affected licensee has to reach compliance with all terms of a final order to continue to be eligible to practice the occupation.

During fiscal year 2011, the licensing boards issued 407 final orders that included \$774,501 in fines. Normally, the licensee operates under a set timeframe to reach compliance. After the passage of six months, unpaid fines are referred to the Department of Treasury for collection. By the end of the fiscal year 2011, the Department had collected \$175,951 in fine payments. The chart on page 17 summarizes this information: 33% of the licensees had complied with the fine penalty imposed by the licensing boards. Licensees not paying the fines are suspended and are not able to practice their respective professions until the outstanding fine amounts are paid and the person has complied with any other board-established penalties and requirements.



BOARD	# FY11 FO's	Assessed Fines FY11	#FY11 Fos with Fines Collected	FY11 FOs Paid	\$ Collected from Pre FY11 FOs	Pre FY11 Orders Paid	FY11 Outstanding Fines	% FY11 Fine s paid	%FY11 Money Collected
11-Accountancy	12	\$50,000	7	\$14,000	\$9,500	4	\$36,000	58%	28%
12-Appraisers	31	\$60,750	17	\$25,000	\$22,500	6	\$35,750	55%	41%
13 – Architects	2	\$3,100	2	\$3,100	\$0	0	\$0	100%	100%
15-UCC	12	\$2,601	9	\$1,851	\$2,101	7	\$750	75%	71%
17-Barbers	18	\$14,800	11	\$9,050	\$2,100	3	\$5,750	61%	61%
21-Builders	184	\$381,850	41	\$29,400	\$149,750	74	\$352,450	22%	8%
22-Cemetery	2	\$600	2	\$600	\$0	0	\$0	100%	100%
24-Collection	13	\$10,500	4	\$3,500	\$3,450	6	\$7,000	31%	33%
27-Cosmetology	90	\$78,900	53	\$41,950	\$34,100	40	\$36,950	59%	53%
34-PrePaid Funeral	4	\$25,000	1	\$10,000	\$0	0	\$15,000	25%	40%
40-Surveyor	2	\$3,000	2	\$3,000	\$0	0	\$0	100%	100%
45-Mortuary Science	8	\$16,000	6	\$12,000	\$0	0	\$4,000	75%	75%
65-Real Estate	29	\$127,400	12	\$22,500	\$4,500	3	\$104,900	41%	18%
<b>TOTALS</b>	<b>407</b>	<b>\$774,501</b>	<b>167</b>	<b>\$175,951</b>	<b>\$228,001</b>	<b>143</b>	<b>\$598,550</b>	<b>41%</b>	<b>23%</b>

Amount of FO fines collected through Treasury for FY 10/11:

Collected: \$319,101.53

Net: \$251,900.11

\*Note: The Access program used for tracking payments does not differentiate between the fine payments that are received in-house and those collected through Treasury. When a treasury collection is completed (could take years), the “Fine Collected” amount is recorded only once, during the month that the final payment was received, satisfying the whole fine amount. Thus, columns 5 & 6 may reflect more money than was actually collected during FY 10/11.

## **Bureau of Commercial Services**

### **Licensing Division**

The Licensing Division is responsible for administering the statewide licensing, registration, listing or permitting programs for thirty-one occupations.

The division reviews applications, investigates qualifications, issues licenses, processes renewal applications and maintains license, registration, listing and permit records for over 320,000 individuals and businesses regulated by the Bureau of Commercial Services. The division maintains information about its programs on the department's website, addresses telephone inquiries and correspondence from licensees, agencies and the general public.

The division provides administrative support to fourteen regulatory boards, one commission and one ad-hoc committee including assistance in conducting meetings, preparation of minutes and documents, record keeping, issue research, and promulgation of rules. Division staff also provides board member training, policy guidance and other assistance to enable the board members to meet their regulatory responsibility.

The Licensing Division is responsible to determine eligibility for licensure, registration, listing and permits by focusing on the evaluation of credentials to ensure applicants meet current entry-level requirements to enter an occupation as required by applicable law and rules. Applicants may be responsible to verify completion of education and experience, be of good moral character, demonstrate financial stability, provide proof of insurance or bonding, and successfully complete an examination.

The Licensing Division is responsible to establish and maintain license, registration, list and permit files. Records are maintained

electronically and/or on microfilm in accordance with current retention and disposal schedules.

The professions and occupations that the Bureau of Commercial Services licenses or registers are listed on the following pages in detail.

License Activity FY 10/11  
10/1/10 through 9/30/11

	License Applications Received	Examinations Administered	Written Verifications/ Certifications	Renewals	Total Number Licensees
Certified Public Accountants	1,175	5,487	364	1	19,358
Real Estate Appraisers	217	84	166	1,503	3,404
Architects	287	388	41	2,559	5,734
Auctioneers	0	0	0	52	86
Barbers	667	380	57	5,633	8,056
Unarmed Combat Commission	466		8	261	783
Residential Builders & Maintenance & Alteration Contractors	3,896	3,799	394	56,729	61,120
Carnival/Amusement	318		0	624	2,325
Cemetery Regulation	2		0	295	306
Collection Practices	306	180	14	1,093	1,222
Community Planners	2	0	0	35	86
Cosmetology	9,582	8,790	1,568	54,773	109,432
Foresters	12		0	0	211
Hearing Aid Dealers	152	64	0	96	483
Immigration Clerical Assts	0		0	3	6
Interior Designers	1		0	0	1,295
Landscape Architects	31		10	0	594
Land Sales	0		0	0	0
Mortuary Science	119	66	22	1,452	2,969
Ocularists	4		0	12	14
Personnel Agencies	6	4	0	9	78
Polygraph Examiners	7	7	3	12	116
Prepaid Funeral Contracts	27		5	266	587
Professional Investigators	100		30	120	1,139
Professional Engineers	1,010	2,159	666	9,780	21,075
Professional Surveyors	45	84	14	479	1,066
Real Estate Brokers & Salespersons	6,190	3,706	309	57	56,354
Security Alarm Contractors	42	2	5	179	404
Security Guard	71		16	127	357
Ski Area Safety	53		0	42	366
Vehicle Protection Product Warrantor	0		0	25	25
<b>TOTAL</b>	<b>24,787</b>	<b>25,200</b>	<b>3,692</b>	<b>136,217</b>	<b>299,051</b>

Note: 1. Certified Public Accountants, Architects, Landscape Architects, Professional Engineers and Professional Surveyors candidates take national examinations. Data on the number of Michigan candidates who sit for these national examinations is not available.

2. Examinations Administered includes only the number of exams actually administered. The number of exams scheduled is higher.

3. Examinations include both first time and repeat candidates and each section is counted as an examination. Example: Builders exam consists of two sections - the law and the practical. It is computed as two separate examinations administered.

## Michigan Board of Accountancy

The Michigan Board of Accountancy was created under Article 7 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of public accounting in Michigan. Article 7 defines public accounting to include the preparation of an audit or other financial or accounting reporting which is to be used for publication or credit purposes or is to be filed with a governmental agency or court of law.

Administrative rules for the practice of certified public accountancy became effective in October 1979. These rules were subsequently amended. The rules are found in the Michigan Administrative Code, Sections R338.5101—R338.5503.

The Michigan Board of Accountancy consists of 9 voting members: 6 certified public accountants and 3 public members, including 1 attorney.

### **Board Member**

### **Term Expires**

#### **Professional**

Howell, Matthew	6-30-14
Lord, Daniel	6-30-13
Post, Kathleen	6-30-15
Sledge, Carla-Vice Chair	6-30-12
Swartz, Michael	6-30-14
Weirich, Thomas R. -Chair	6-30-13

#### **Public**

Fedus, Sally	6-30-11
Miller, Mary	6-30-12
Wolock, Steven	6-30-13

## **Board Meetings Schedule Fiscal Year 2011**

January 21, 2011  
May 20, 2011  
August 19, 2011

## **Licensing Activity**

Applications Received	1,175
Examinations Given	0*
New Licenses	1,057
Number of Licensees	19,358

## **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	116
Opened during FY 2011	90
Total complaints open in FY 2011	206
Closed during FY 2011	130
Backlog at end of FY 2011	76

## **Board Disciplinary Actions**

Final Orders Issued	12
Fines Assessed	\$50,000.00

\*National Exam, no data available.

## **Michigan Board of Real Estate Appraisers**

The Michigan Board of Real Estate Appraisers was created under Article 26 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the services of real estate appraisers in Michigan. Article 26 defines a real estate appraiser as an individual engaged in or offering to engage in the development and communication of appraisals or real property. An appraisal is defined as an opinion, conclusion, or analysis relating to the value of real property.

Administrative rules for the practice of Real Estate Appraisers became effective in June 1996. These rules were subsequently amended. The current rules may be found in the Michigan Administrative Code: Sections R339.23101-R339.23405.

The Michigan Board of Real Estate Appraisers consists of 9 voting members: 6 real estate appraisers and 3 public members.

### **Board Members**

#### **Professional**

Graham, Beth L., Vice-Chair	6-30-12
Kirksey, Brian	6-30-14
Molenaar, David C., Chair	6-30-13
Snyder, John P.	6-30-14
Thomas, Norman G.	6-30-13
Wickert Jr., Leo R.	6-30-12

#### **Public**

Dynkowski, Darius	6-30-13
Fresard, Donn M.	6-30-12
Kelly, Patricia A..	6-30-14

## **Board Meetings Schedule Fiscal Year 2011**

March 22, 2011  
June 14, 2011  
September 27, 2011

## **Licensing Activity**

Applications Received	217
Examinations Given	84
New Licenses	215
Number of Licensees	3,404

## **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	268
Opened during FY 2011	161
Total Complaints open in FY 2011	429
Closed during FY 2011	281
Backlog at end of FY 2011	148

## **Board Disciplinary Actions**

Final Orders Issued	31
Fines Assessed	\$60,750

## Michigan Board of Architects

The Michigan Board of Architects was created under Article 20 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of architecture, which is defined as professional services, such as consultation, investigation, evaluation, planning, design, review of materials, and completed phases of work in construction, alteration or repair in connection with a public or private structure, building, equipment, works or project, when the professional service requires the application of a principle of architecture or architectural design.

Administrative rules for the practice of architecture became effective September, 1985. These rules were subsequently amended. The current rules may be found in the Michigan Administrative Code, Sections R339.15101 - R339.15430.

The Michigan Board of Architects consists of 9 voting member: 5 architects, 1 engineer, 1 surveyor and 2 public members.

### **Board Members**

### **Term Expires**

#### **Professional**

DeDecker, Catherine M. Professional Surveyor	3-31-13
Flum, Steven C. Architect	3-31-12
Knibbe, Elisabeth, Vice Chair Architect	3-31-13
Naperala, Troy R Professional Engineer	3-31-15
Stempien, Robert L. Architect	3-31-13
VanTine, Kenneth R Architect	3-31-15
VanValkenburgh, Paula C. Architect	3-31-14

#### **Public**

Arnott-Bryks, Lynn	3-31-13
Wilkerson, Jeffrey	3-31-14

## Board Meetings Schedule Fiscal Year 2011

October 21, 2010  
February 3, 2011  
April 28, 2011  
June 2, 2011

### **Licensing Activity**

Applications Received	386
Examinations Given	0*
New Licenses	224
Number of Licensees	5,734

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	9
Opened during FY 2011	6
Total complaints open in FY 2011	15
Closed during FY 2011	8
Backlog at end of FY 2011	7

### **Board Disciplinary Actions**

Final Orders Issued	2
Fines Assessed	\$3,100

\*National Exam, no data available.

## **Michigan Board of Auctioneers**

Public Act 489 passed December 28, 2006 to implement registration for auctioneers effective on October 1, 2007. The registration of auctioneers is regulated under Article 29 of the Occupational Code, 1980 PA 299, as amended. Article 29 requires a person or company to become registered in order to use the title "Registered Auctioneer." An auctioneer is defined as a person who is, for compensation, engaged in the business of, the conduct of, or offers to engage in the conduct of an auction. Auction is defined as the sale, or offer for sale, by bidding, of real or personal property at a public or private location.

The Michigan Board of Auctioneers consists of 9 voting members: 6 registered professionals and 3 public members.

### **Board Members**

### **Term Expires**

#### **Professional**

Besner, Gwyneth	10-1-14
Lechtanski, Deatra	10-1-11
Rottier, Robert	10-1-12
Sheridan, William	10-1-12
Smittendorf, Lee	10-1-11
Stoecker, Bradley	10-1-13

#### **Public**

Ferency, Michael	10-1-14
Novak, Marian	10-1-13
Simmons, Kirsten	10-1-11

## **Board Meetings Schedule Fiscal Year 2011**

November 10, 2010  
May 11, 2011

### **Registration Activity**

Applications Received	0
New Registrants	0
Number of Registrants	86

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	3
Total complaints open in FY 2011	3
Closed during FY 2011	3
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

## Michigan Board of Barber Examiners

The Michigan Board of Barber Examiners was created under Article 11 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the service of barbers, barber colleges, barber instructors, barber students, and barbershops in Michigan. Article 11 defines a barber as a person who shaves or trims the beard of a person; cuts, trims, shampoos, relaxes, curls, permanently waves, dresses, tints, bleaches, colors, arranges, or styles the hair of a person; massages the face and head of a person; or renders personal services of a similar nature customarily done by a barber.

Administrative rules governing practice as a barber became effective in April 1982. These rules have been subsequently amended. These rules are found in the Michigan Administrative Code, Sections R228.2001– R338.2054.

The Michigan Board of Barber Examiners consists of 9 voting members: 6 barbers and 3 public members.

### **Board Members**

### **Term Expires**

#### **Professional**

Data, Paul	9-30-10
Freeman, Sherry	9-30-10
Glasscoe, Michael	9-30-12
Lupu, Walter J., Vice-Chair	9-30-10
Pappas, George	9-30-11
Sullivan, Dennis G.	9-30-09

#### **Public**

Lakkides, Brian	9-30-12
VanDyken, James	9-30-09
Marketti, Tawyna	9-30-11

## Board Meetings Schedule Fiscal Year 2011

October 18, 2010

January 10, 2011

May 9, 2011

### **Licensing Activity**

Applications Received	667
Examinations Given	380
New Licenses	393
Number of Licensees	8,056

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	90
Opened during FY 2011	106
Total complaints open in FY 2011	196
Closed during FY 2011	171
Backlog at end of FY 2011	25

### **Board Disciplinary Actions**

Final Orders Issued	18
Fines Assessed	\$14,800



## **Unarmed Combat Commission**

Public Act 196 of 2007 amended the Boxing Regulation Act (Public Act 403 of 2004), changing the Boxing Regulation Act to the Unarmed Combat Regulatory Act to provide for regulation of “mixed martial arts”

Administrative rules governing professional boxing became effective on May 13, 2005. These are found in the Michigan Administrative Code, Sections R339.101 – R339.403.

The Unarmed Combat Commission consists of 11 voting members.

### **Members**

### **Term Expires**

#### **Professional**

Byrd, Joe W.	6-5-13
Holtz, Jason	6-5-12
Maskin, Douglas J.	6-5-12
Mueller, Wolfgang-Vice Chair	6-5-12
Packer, David	6-5-12
McNinch, Charles	6-5-13
Viviano, Vincent	6-5-12
Weber, Dr. James-Chair	6-5-12

#### **Public**

Martin, Michael.	6-5-11
Sype, James K.	6-5-12
Zurawski, Charles K.	6-5-12

## **Unarmed Combat Commission Meetings Fiscal Year 2011**

April 14, 2011  
June 16, 2011  
September 8, 2011

### **Licensing Activity**

Applications Received	466
New Licenses	119
Number of Licensees	783

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	21
Opened during FY 2011	28
Total complaints open in FY 2011	49
Closed during FY 2011	24
Backlog at end of FY 2011	25

### **Board Disciplinary Actions**

Final Orders Issued	12
Fines Assessed	\$2,601

**Michigan Residential Builders and  
Maintenance and Alteration  
Contractors Board**

The Michigan Residential Builders' and Maintenance and Alteration Contractors' Board was created under Article 24 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate persons engaged in the construction of a residential structure, or combination residential and commercial structure, or persons who undertake the repair, alteration, addition, subtraction, or improvement of a residential structure, or combination residential and commercial structure for compensation other than wages for personal labor.

Administrative rules for the practice of residential builders and maintenance and alteration contractors were implemented in February, 1967. These rules were subsequently amended. These are found in the Michigan Administrative Code, Sections R338.1511—R338.1554.

The Michigan Board of Residential Builders' and Maintenance and Alteration Contractors' consists of 9 voting members: 4 builders, 2 contractors, and 3 public members.

**Board Members**

**Term Expires**

**Professional**

Agnew, Jeff	3-31-13
Agnostinelli, Joseph	3-31-15
Browne, Jr., Sidney J.	3-31-12
Distefano, Frank	3-31-14
Haeussler, James G.	3-31-14
Lewand, Kevin	3-31-12

**Public**

August, Gary, Chair	3-31-12
Powell, Gregory R.	3-31-15

**Fiscal Year 2011**

November 9, 2010  
January 11, 2011  
March 8, 2011  
May 10, 2011  
July 11, 2011  
September 13, 2011

**Licensing Activity**

Applications Received	3,896
Examinations Given	3,799
New Licenses	2,847
Number of Licensees	61,120

**Regulatory (Complaint) Activity**

Active at beginning of FY 2011	697
Opened during FY 2011	713
Total complaints open in FY 2011	1,410
Closed during FY 2011	885
Backlog at end of FY 2011	525

**Board Disciplinary Actions**

Final Orders Issued	184
Fines Assessed	\$381,850

**Board Meetings Schedule**

## **Michigan Carnival-Amusement Safety Board-**

The Michigan Carnival-Amusement Safety Board was created under Public Act 225 of 1966, as amended. Each year, department staff performs inspections of traveling shows which operate in Michigan, and amusement parks and other fixed locations with rides, to assure compliance with the act and the rules promulgated. Michigan has approximately 100 permanent locations of amusement rides and approximately 600 locations where transient carnivals operate.

Administrative rules governing the operation of carnival and amusement rides became effective in April, 1983. These rules were subsequently amended. These rules are found in the Michigan Administrative Code, Sections R408.801—R408.898.

The Michigan Carnival-Amusement Safety Board consists of 7 members: 1 representative of the amusement park operators, 1 representative of the carnival ride operators, 1 representative of the retail merchants association, 1 registered professional engineer, 1 director of Licensing and Regulatory Affairs and 2 public members.

### **Board Members**

### **Term Expires**

#### **Professional**

Heppler, Martin J., Vice Chair	7-10-13
Carnival Ride Operator	
Ledy, Jeffrey, Professional Engineer	7-10-12
Schmidt, Douglas S.	7-10-12
Amusement Park Operator	
Elhenicky, Robert, Merchants ASSN	7-10-14

#### **Public**

Arwood, Steven D,	
Licensing and Regulation	
Jones, Carrie E.	7-10-12
Kipling, Kurt G., Chair	7-10-14

### **Board Meetings Schedule Fiscal Year 2011**

October 26, 2010  
March 25, 2011

### **Licensing Activity**

New Applications	318
New Permits	342
Number of Active	
Permits & Special Inspectors	2,325

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	0
Total complaints open in FY 2011	0
Closed during FY 2011	0
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

### **Cemetery Regulation**

The Cemetery Regulation Act 251 of 1968 provides authority to audit various cemetery trust funds, approve cemetery ownership changes, investigate new, proposed cemeteries, and investigate complaints of the public regarding cemeteries.

Administrative rules governing the operation of cemeteries became effective in 1974. These rules are found in the Michigan Administrative Code, Sections R456.101—R456.196.

The Commissioner, who is the Director of the Department of Labor & Economic Growth or a designee, governs the Cemetery Commission. On June 2, 2008, Stephen Gobbo, Director of the Legal Affairs and Cemetery Division was appointed Cemetery Commissioner.

Applications Received	2
New Registrations	2
Number of Registrants	306

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	104
Opened during FY 2011	72
Total complaints open in FY 2011	176
Closed during FY 2011	83
Backlog at end of FY 2011	93

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

### **Registration Activity**

### **Michigan Collection Practices Board**

The Michigan Collection Practices Board was created under Article 9 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate collection agencies in Michigan. Article 9 defines a collection agency as a person directly or indirectly engaged in soliciting a claim for collection, or collecting or attempting to collect a claim owed or due, or asserted to be owed or due another, or repossessing or attempting to repossess a thing of value owed or due, or asserted to be owed or due another arising out of an expressed or implied agreement made primarily for personal or household purposes.

Administrative rules R339.4001-R339.4011 were promulgated July 18, 1997 for collection agency operation.

The Michigan Collection Practices Board consists of 9 voting members: 6 collection agency licensees and 3 public members.

#### **Board Members**

#### **Term Expires**

##### **Professional**

Angelo, Thomas, Vice-Chair	6-30-14
Cairnduff, David	6-30-12
Dietrich, Jennifer	6-30-15
Hoppin, James, Chair	6-30-13
Oldani, David	6-30-13
Rendon, Daire	6-30-14

##### **Public**

Cornish, Matthew D.	6-30-13
Roth, Jeanne	6-30-15
Sousley, Scott R.	6-30-12

January 20, 2011

August 18, 2011

#### **Licensing Activity**

Applications Received	306
Examinations Given	180
New Licenses	171
Number of Licensees	1,222

#### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	95
Opened during FY 2011	136
Total complaints open in FY 2011	231
Closed during FY 2011	171
Backlog at end of FY 2011	60

#### **Board Disciplinary Actions**

Final Orders Issued	13
Fines Assessed	\$10,500

#### **Board Meetings Schedule Fiscal Year 2011**

### **Professional Community Planners**

Registration and regulation of Professional Community Planners is governed under Article 23 of Public Act 299 of 1980, as amended, the Occupational Code. Article 23 defines a community planner as a person qualified to prepare comprehensive community plans designed to portray general long-range proposals for the arrangement of land uses to guide government toward development of the entire community. Only a person registered under this article may use the title "Community Planner."

Administrative rules for the practice of Professional Community Planners were implemented in June 1968. These are found in the Michigan Administrative Code, Sections R338.1301—R338.1342.

**Executive Order 1996-2 abolished the Michigan Board of Professional Community Planners.**

### **Registration Activity**

Applications Received	2
Examinations Given	0
New Registrations	2
Number of Registrants	86

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	0
Total complaints open in FY 2011	0
Closed during FY 2011	0
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

## **Michigan Board of Cosmetology**

The Michigan Board of Cosmetology was created under Article 12 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of cosmetology in Michigan. Article 12 defines cosmetology as one of the following practices or a combination of the following practices: arranging, cutting, dressing, curling, waving, cleansing, singeing, bleaching, coloring, or similar work upon hair with the hands, or with mechanical or electrical apparatus or appliances, or by any means; cleaning, massaging, stimulating, manipulating, exercising, beautifying, or by the use of cosmetic preparations, antiseptics, tonics, lotions, or creams, or similar work upon the scalp, neck, face, arms, bust, or upper part of the body of a person; or the removing of superfluous hair from the upper part of the body of a person by the use of electrolysis, depilatories, waxes, or tweezers, or manicuring the nails of a person.

The members of the cosmetology industry who are licensed by the department include schools of cosmetology, both public and private, cosmetology shops, cosmetologists, manicurists, cosmetology instructors, estheticians and electrologists.

Administrative rules governing the practice of cosmetology became effective in October, 1981. These rules are found in the Michigan Administrative Code, Sections R338.2101—R338.2195.

The Michigan Board of Cosmetology consists of 9 voting members: 6 cosmetologists and 3 public members.

## **Board Members**

## **Term Expires**

### **Professional**

Blankenship, Andrea	12-31-13
DeYoung, Helana	12-31-15
Livingston-Scott, Gail	12-31-12
Marshall, Edith, Vice-Chair	12-31-13
Price-Griffin, Lydia	12-31-12
River, Angela	12-31-14

### **Public**

Atkins, Kristina M.	12-31-12
Schroeder, Andrea	12-31-14
Skipper-Strong, Kathleen	12-31-15

## **Board Meetings Schedule Fiscal Year 2011**

December 13, 2010  
February 7, 2011  
May 2, 2011  
September 12, 2011

## **Licensing Activity**

Applications Received	9,582
Examinations Given	8,790
New Licenses	7,789
Number of Licensees	109,432

## **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	223
Opened during FY 2011	401
Total complaints open in FY 2011	624
Closed during FY 2011	442
Backlog at end of FY 2011	182

## **Board Disciplinary Actions**

Final Orders Issued	90
Fines Assessed	\$78,990

## **Michigan Board of Professional Engineers**

The Michigan Board of Professional Engineers was created under Article 20 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of professional engineering in Michigan. Article 20 defines professional engineering as 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 when the professional service requires the application of engineering principles or data.

Administrative rules for the practice of professional engineering were implemented in September, 1985. These are found in the Michigan Administrative Code, Sections R339.16001—R339.16034.

The Michigan Board of Professional Engineers consists of 9 voting members: 5 professional engineers, 1 architect, 1 professional surveyor, and 2 public members.

### **Board Members**                      **Term Expires**

<b>Professional</b>	
Dulic, Charles	3-31-12
Professional Engineer	
El-Gamal, Mahmoud	3-31-13
Professional Engineer	
Grove, Karol L.	3-31-12
Professional Surveyor	
Karmo, George Y., Chair	3-31-14
Professional Engineer	
Kraus, John G.	3-31-13
Professional Engineer	
Naperala, Troy R.	3-31-15
Professional Engineer	
Stempien, Robert	3-31-13
Architect	

### **Public**

Junior, Cary	3-31-14
Prihod, Kevin	3-31-13

### **Board Meetings Schedule Fiscal Year 2011**

October 14, 2010  
January 20, 2011  
April 21, 2011

### **Licensing Activity**

Applications Received	1010
Examinations Given	0*
New Licenses	678
Number of Licensees	21,075

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	7
Opened during FY 2011	11
Total complaints open in FY 2011	18
Closed during FY 2011	5
Backlog at end of FY 2011	13

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	0

\*National Examination, no data available.



### Foresters

Registration and regulation of Foresters is governed by Article 21 of Public Act 299 of 1980, as amended, the Occupational Code. Article 21 defines a forester as a person who by reason of his or her knowledge of the natural sciences, mathematics and principles of forestry, acquired by forestry education and practical experience, is qualified to engage in the practice of professional forestry.

Administrative rules for the practice of forestry were implemented in February, 1984. These are found in the Michigan Administrative Code, Sections R339.1801—R339.18035.

**Executive Order 1996-2 abolished the Michigan Board of Foresters.**

### Registration Activity

Applications Received	12
New Registrations	12
Number of Registrants	211

### Regulatory (Complaint) Activity

Active at beginning of FY 2011	1
Opened during FY 2011	3
Total complaints open in FY 2011	4
Closed during FY 2011	4
Backlog at end of FY 2011	0

### Board Disciplinary Actions

Final Orders Issued	0
Fines Assessed	\$0

### **Hearing Aid Dealers**

Licensure and regulation of Hearing Aid Dealers is governed by Article 13 of Public Act 299 of 1980, as amended, the Occupational Code. Article 13 defines a hearing aid dealer to be a person who engages in the sale or offering for sale at retail of a hearing aid.

Administrative rules for hearing aid dealers became effective in November, 1970. These rules are found in the Michigan Administrative Code, Sections R338.1901—R338.1943.

**Executive Order 1996-2 abolished the Michigan Board of Hearing Aid Dealers.**

### **Licensing Activity**

Applications Received	152
Examinations Given	64
New Licenses	73
Number of Licensees	483

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	1
Opened during FY 2011	8
Total complaints open in FY 2011	9
Closed during FY 2011	3
Backlog at end of FY 2011	6

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

### **Immigration Clerical Assistants**

The Immigration Clerical Assistant Act, Public Act 161 of 2004, effective October 1, 2004, was enacted to create a list of qualified individuals that are authorized to assist individuals with certain immigration matters. An immigration clerical assistant is an individual providing or offering to provide services, for compensation, relating to any immigration matter. An immigration matter is any matter affecting the immigrant status, nonimmigrant status, or citizenship status of any individual and includes, but is not limited to, federal or state administrative or court proceedings or the filing of accompanying documents in those proceedings or both.

No rules have been promulgated governing the activity of immigration clerical assistants.

### **Listing Activity**

Applications Received	0
New Immigration Clerical Assistants	0
Number of ICA's Listed	6

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	0
Total complaints open in FY 2011	0
Closed during FY 2011	0
Backlog at end of FY 2011	0

### **Interior Designer**

Listing of Interior Designers was established by an amendment to the Occupational Code, 1980 PA 299, effective October 1, 1998. An interior designer is currently exempt from licensure or registration in Michigan; however, they may elect to be added to a list maintained by the state if they have successfully completed the National Council of Interior Design Qualification (NCIDQ) Examination or qualified by experience (prior to April 8, 2000). The listing is posted electronically and includes the names of interior designers who have filed an application with the Department to be added to the list and have successfully completed the NCIDQ Examination or have qualified for listing by experience (prior to April 8, 2000). A person need not be listed to practice interior design.

No rules have been promulgated governing the activity of interior designers.

### **Listing Activity**

Applications Received	1
New Interior Designer Listees	0
Number of Interior Designers Listed	1,295

**Michigan Board of  
Landscape Architects**

The Michigan Board of Landscape Architects was created under Article 22 of Public Act 299 of 1980, as amended, the Occupational Code, to register and regulate the practice of landscape architects in Michigan. Article 22 defines a landscape architect as a person qualified to practice landscape architecture as provided in the article. Only a person registered under this article may use the title "Landscape Architect."

Administrative rules for the practice of landscape architecture were implemented in April, 1983. These are found in the Michigan Administrative Code, Sections R339.19001—R339.19049.

**Executive Order 2007-23 abolished the Michigan Board of Landscape Architects effective May 3, 2007.**

**Registration Activity**

Applications Received	31
Examinations Given	0*
New Licenses	25
Number of Licensees	594

**Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	2
Total complaints open in FY 2011	2
Closed during FY 2011	2
Backlog at end of FY 2011	0

**Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

\*National Examination, no data available.

**Michigan Land Sales Act and  
Promotional Sales of Out-of-State  
Properties**

Repeal of Public Act 286 of 1972 and Section 2511(2) of Occupational Code PA 299 of 1980. Governor Granholm signed into law Public Act 49 of 2010 (repeals Land Sales Act) and Public Act 48 of 2010 (repeals only Section 2511(2) of Occupational Code) effective April 22, 2010.

The Land Sales Act, 1972 PA 286 (MCL 565.801 – 565.835) was enacted in the 1970s to protect Michigan residents from land developers who promised more than they were actually planning to deliver. However, the consumer protection that the law was designed to provide is no longer needed as there have been no consumer complaints regarding land sales for more than 20 years. Furthermore, state regulation largely duplicated federal regulation under the Interstate Land Sales Full Disclosure Act. The existence of the federal law assures that the abuses of land sales schemes hatched in the 1970s will not reappear.

At the time that this act was deregulated there were 106 registrations.

**Michigan Board of  
Examiners in Mortuary Science**

The Michigan Board of Examiners in Mortuary Science was created under Article 18 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of mortuary science and funeral establishments in Michigan. Article 18 defines the practice of mortuary science as the practice of embalming or the practice of funeral directing, or both. A funeral establishment is defined as a place of business used in the care and preparation for burial or transportation of a dead human body.

The most recent administrative rules for the practice of mortuary science became effective in April, 1991. These rules are found in the Michigan Administrative Code, Sections R339.18901—R339.18947.

The Michigan Board of Examiners in Mortuary Science consists of 9 voting members: 6 licensees and 3 public members.

**Board Member**

**Term Expires**

**Professional**

Akin, David, Chair	6-30-12
Daggett, Christine, Vice-Chair	6-30-14
Desmond, John E.	6-30-13
Kemp, Stephen R., Chair	6-30-13
Starks, Thomas L.	6-30-14
Wakeman, Rodney	6-30-15

**Public**

DeHaas, Ida I.	6-30-12
Kohler, Fr. Russell	6-30-13
Linder, Stephen	6-30-15

**Schedule of Board Meetings  
Fiscal Year 2011**

October 6, 2010  
March 3, 2011

**Licensing Activity**

Applications Received	119
Examinations Given	66*
New Licenses	115
Number of Licensees	2,969

**Regulatory (Complaint) Activity**

Active at beginning of FY 2011	176
Opened during FY 2011	78
Total complaints open in FY 2011	254
Closed during FY 2011	195
Backlog at end of FY 2011	59

**Board Disciplinary Actions**

Final Orders Issued	8
Fines Assessed	\$16,000

\*Mortuary Science applicants take a national examination and a state examination. No data is available for the National examination. This figure represents the number of state examinations administered.

### **Ocularist Regulation**

Ocularist regulation in Michigan was created under Article 27 of Public Act 299 of 1980, as amended, the Occupational Code, by Public Act 209 of 1982, effective July 2, 1982, to register and regulate the practice of ocularism in Michigan. Article 27 defines ocularism as the design, fabrication, and fitting of ocular prosthetic appliances. Only a person certified under the article may use the title "Ocularist" or advertise that he or she is certified.

No rules have been promulgated to govern the practice of ocularists.

This occupation is registered and regulated by the department as an agency and without a board.

### **Registration Activity**

Applications Received	4
New Registrants	1
Number of Registrants	14

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	0
Total complaints open in FY 2011	0
Closed during FY 2011	0
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0



### **Michigan Personnel Agency Board**

The Michigan Personnel Agency Board was created under Article 10 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate personnel agencies and agents in Michigan. Article 10 defines a personnel agency as a person engaged in the business or profession of serving, assisting, or aiding a client seeking employment, or making basic career decisions and who receives a fee from the client. A personnel agent is defined as the individual designated by the personnel agency who is responsible for the general management of the office.

Administrative rules governing the operation of personnel agencies became effective in November, 1975. These rules are found in the Michigan Administrative Code, Sections R338.4001—R338.4027.

**Executive Order 2007-22 abolished the Michigan Personnel Agency Board effective May 3, 2007.**

### **Licensing Activity**

Applications Received	6
Examinations Given	4
New Licenses	0
Number of Licensees	78

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	1
Opened during FY 2011	5
Total complaints open in FY 2011	6
Closed during FY 2011	6
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

### **Prepaid Funeral Contract Regulation**

Regulation of prepaid funeral contracts in Michigan was created under Public Act 255 of 1986. The Act regulates the sale and provision of certain funeral goods and funeral services and the use of funds received by sellers and providers of these goods and services.

Administrative rules governing prepaid funeral contract sales became effective June 2006. These rules are found in the Michigan Administrative Code, Section R339.11-R339.47.

The registration and regulation of prepaid funeral contracts are performed by the department as an agency and without a board.

Individuals or companies who sell prepaid funeral contracts must be registered with the department. Provisions of the Act are administered by department staff who also provide support to the Mortuary Science Board. Because there is no board, the department, Attorney General, or a local prosecutor may enforce compliance with the Act.

### **Registration Activity**

Applications Received	27
New Registrations	16
Number of Registrants	587

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	113
Opened during FY 2011	36
Total complaints open in FY 2011	149
Closed during FY 2011	117
Backlog at end of FY 2011	32

### **Board Disciplinary Actions**

Final Orders Issued	4
Fines Assessed	\$25,000

### **Michigan Board of Forensic Polygraph Examiners**

The Michigan Board of Forensic Polygraph Examiners was created under Public Act 295 of 1972, as amended, to license and regulate the practice of forensic polygraph examiners in Michigan. Public Act 295 of 1972 defines examiners as any person other than an intern who purports to detect deception, verify truthfulness or provide a diagnostic opinion of either of these through instrumentation of the use of a mechanical device; represents that this person can or does offer the service of detecting deception, verifying truthfulness or providing a diagnostic opinion of either of these through instrumentation of the use of a mechanical device; or uses instrumentation or a mechanical device to measure or record an individual's bodily responses or psychophysiological activities or enable or assist the detection of deception, the verification of truthfulness or the reporting of a diagnostic opinion regarding either of these.

Administrative rules for forensic polygraph examiners became effective March, 1983. These rules are found in the Michigan Administrative Code, Sections R338.9001—R338.9013.

**Executive Order 2007-24 abolished the Board of Forensic Polygraph Examiners effective May 3, 2007.**

### **Licensing Activity**

Applications Received	7
Examinations Given	7
New Licenses	4
Number of Licensees	116

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	1
Total complaints open in FY 2011	1
Closed during FY 2011	1
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

### **Professional Investigator**

Public Act 146 of 2008 amended Public Act 285 of 1965 by changing the Private Detective License Act to the Professional Investigator Licensure Act and expands the types of experience and degrees. The Act also clarifies the conduct of certain activities. The Act defines a private detective or investigator as a person who accepts employment to conduct an investigation for the purpose of obtaining information concerning the identity, occupation, or character of a person; locating or recovering lost or stolen property; determining the cause or responsibility for fires, losses, accidents or damage to persons or property; and securing evidence to be used in court.

This occupation is licensed and regulated by the department as an agency and without a board.

### **Licensing Activity**

Applications Received	100
New Licenses	95
Number of Licensees	1,139

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	21
Opened during FY 2011	9
Total complaints open in FY 2011	30
Closed during FY 2011	22
Backlog at end of FY 2011	8

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

## **Michigan Board of Real Estate Brokers and Salespersons**

The Michigan Board of Real Estate Brokers and Salespersons was created under Article 25 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of real estate brokers and salespersons in Michigan. Article 25 defines real estate broker as an entity, who with intent to collect or receive a fee, compensation, or valuable consideration, sells or offers for sale, buys or offers to buy, lists or offers or attempts to list, or negotiates the purchase or sale or exchange of mortgage of real estate, or negotiates for the construction of a building on real estate; who leases or offers or rents or offers for rent real estate or the improvements on the real estate for others, as a whole or partial vocation; who sells or offers for sale, buys or offers to buy, leases or offers to lease, or negotiates the purchase or sale or exchange of a business, business opportunity, or the good will of an existing business for others; or who, as owner or otherwise, engages in the sale of real estate as a principle vocation.

Real estate salesperson is defined as a person who for compensation or valuable consideration is employed either directly or indirectly by a licensed real estate broker to sell or offer to sell, to buy or offer to buy, to list or offer to attempt to list, or to negotiate the purchase or sale or exchange or mortgage of real estate, or to negotiate for the construction of a building on real estate, or to lease, rent or offer for rent real estate, or who sells or offers for sale, buys or offers to buy, leases or offers to lease, or negotiates the purchase or sale or exchange of a business, business opportunity, or the good will of an existing business for others, as a whole or partial vocation.

Administrative Rules for real estate brokers and salespersons became effective May 4, 1991. These rules have been subsequently amended. The rules are found in the Michigan Administrative Code, Sections R339-22101-R339.22667.

The Michigan Board of Real Estate Brokers and Salespersons consists of 9 voting members: 6 real estate licensees and 3 public members.

<b><u>Board Members</u></b>	<b><u>Term Expires</u></b>
<b>Professional</b>	
Davis, Matthew	6-30-15
Hiltunen, Donald	6-30-13
Huston, Shawn E.	6-30-12
Samson, Daniel C.	6-30-13
Sellman, James W.	6-30-14
Sutherby-Fricke, Sheri M.	6-30-14
<b>Public</b>	
Eisbrenner, Lauren	6-30-13
Lance, James	6-30-15
Plagens, Kevin	6-30-12

### **Board Meetings Schedule Fiscal Year 2011**

December 6, 2010  
March 7, 2011  
June 6, 2011  
September 26, 2011

### **Licensing Activity**

Applications Received	6,190
Examinations Given	3,706
New Licenses	3,450
Number of Licensees	56,354

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	280
Opened during FY 2011	409
Total complaints open in FY 2011	689
Closed during FY 2011	470
Backlog at end of FY 2011	219

### **Board Disciplinary Actions**

Final Orders Issued	29
Fines Assessed	\$127,400

## **Security Alarm Contractors**

Security alarm contractors are regulated under Public Act 330 of 1968. The Act defines a security alarm system contractor as a business engaged in the installation, maintenance, alteration, monitoring or servicing of security alarm systems or a company that responds to a security alarm system.

This occupation is licensed and regulated by the department as an agency and without a board.

Administrative Rules for Security Alarm Contractors became effective May 1969. These rules have been subsequently amended. The current rules are found in the Michigan Administrative Code, Sections R28.4001-28.4007.

## **Licensing Activity**

Applications Received	42
Examinations Given	2
New Licenses	40
Number of Licensees	404

## **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	4
Opened during FY 2011	8
Total complaints open in FY 2011	12
Closed during FY 2011	8
Backlog at end of FY 2011	4

## **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

### **Security Guard Agencies**

Private security guard businesses are regulated under Public Act 330 of 1968, as amended. The Act defines a private security guard as an individual or employee of a business who offers for hire to provide protection of property on the premises of another.

This occupation is licensed and regulated by the department as an agency and without a board.

Administrative Rules for Security Guard Agencies became effective May 1969. These rules have been subsequently amended. The current rules are found in the Michigan Administrative Code, Sections R28-4001-R28.4007.

### **Licensing Activity**

Applications Received	71
New Licenses	52
Number of Licensees	357

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	5
Opened during FY 2011	6
Total complaints open in FY 2011	11
Closed during FY 2011	6
Backlog at end of FY 2011	5

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0

## Michigan Ski Area Safety Board

The Michigan Ski Area Safety Board was created under Public Act 199 of 1962, as amended, to issue permits to operate and regulate ski lifts in Michigan. The Ski Area Safety Act defines ski area as an area used for skiing and served by one or more lift. Ski lifts are defined as a device for transporting persons uphill on skis, or in cars on tracks, or suspended in the air by the use of cables, belts, or ropes, and usually supported by trestles or towers with one or more spans.

Administrative rules governing the operation of ski areas became effective in May, 1989. These rules are found in the Michigan Administrative Code, Sections R408.61—R408.95.

The Michigan Ski Area Safety Board consists of 7 members: 3 ski area managers, 1 engineer, 1 member of the Central United States Ski Association, and 2 public members.

### **Board Members**

### **Term Expires**

#### **Professional**

Barber, Vernon S. UP Ski Area Manager	6-08-12
Call, Michael S., Chair LP Ski Area Manager	6-08-13
Edwards, Ronald W.	6-08-15
Kiefer, James P. Central US Ski Assoc.	6-08-12
Woods, Joel M. LP Ski Area Manager	6-08-13

#### **Public**

Vander Spoel, James UP Public	6-08-14
Vacant	

## Board Meetings Schedule Fiscal Year 2011

October 6, 2010  
May 4, 2011

### **Licensing Activity**

Applications Received	53
New Permits	1
Number of Active Permits	366

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	0
Total complaints open in FY 2011	0
Closed during FY 2011	0
Backlog at end of FY 2011	0

### **Board Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0



## **Michigan Board of Professional Surveyors**

The Michigan Board of Professional Surveyors was created under Article 20 of Public Act 299 of 1980, as amended, the Occupational Code, to license and regulate the practice of land surveying in Michigan. Article 20 defines a professional surveyor as a person who by reason of knowledge or law, mathematics, physical sciences, and techniques of measuring land acquired by professional education and practical experience is qualified to engage in the practice of professional surveying.

Administrative rules for the practice of professional surveying were implemented in September, 1985. These are found in the Michigan Administrative Code, Sections R339.17101—R399.17404.

The Michigan Board of Professional Surveyors consists of 9 voting members: 5 professional surveyors, 1 architect, 1 engineer, and 2 public members.

<b><u>Board Members</u></b>	<b><u>Term Expires</u></b>
<b>Professional</b>	
Barish, Gilbert M. Professional Surveyor	3-31-13
Brand, Ronald Professional Surveyor	3-31-15
DeDecker, Catherine M. Professional Surveyor	3-31-13
Gravlin, Steven Professional Surveyor	3-31-14
Grove, Karol, Vic Chair Professional Surveyor	3-31-12
Karmo, George Professional Engineer	3-31-12
VanTine, Kenneth Architect	3-31-15

## **Public**

Whitley, Donnie	3-31-14
Stanford, Robert A.	3-31-13

## **Board Meetings Schedule Fiscal Year 2011**

January 26, 2011  
April 13, 2011  
June 15, 2011

## **Licensing Activity**

Applications Received	45
Examinations Given	35*
New Licenses	17
Number of Licensees	1,066

## **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	19
Opened during FY 2011	4
Total complaints open in FY 2011	23
Closed during FY 2011	16
Backlog at end of FY 2011	7

## **Board Disciplinary Actions**

Final Orders Issued	2
Fines Assessed	\$3,000

\* Professional Surveyors take a national examination and a state examination. No data is available for the national examinations. This figure represents the number of state examinations administered.

### **Vehicle Protection Product Warrantors**

The Vehicle Protection Product Act, Public Act 263 of 2005, effective June 14, 2006, was enacted to create a list of warrantors to protect the public by insuring that the warrantor will be responsible for the claims made regarding the product.

No rules have been promulgated governing the registration of vehicle protection product warrantors.

The registration and regulation of vehicle protection product warrantors are performed by the department as an agency and without a board.

Individuals or companies who sell vehicle protection product warranties must be registered with the department. Provisions of the Act are administered by department staff. Because there is no board, the department, Attorney General, or a local prosecutor may enforce compliance with the Act.

### **Listing Activity**

Applications Received	0
Number Listed	25

### **Regulatory (Complaint) Activity**

Active at beginning of FY 2011	0
Opened during FY 2011	0
Total complaints open in FY 2011	0
Closed during FY 2011	0
Backlog at end of FY 2011	0

### **Disciplinary Actions**

Final Orders Issued	0
Fines Assessed	\$0