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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 436 (Substitute S-1 as reported)  
Sponsor: Senator Glenn D. Steil  
Committee: Human Resources, Labor and Veterans Affairs

### **CONTENT**

The bill would amend the State Construction Code Act to limit the civil liability of certain residential builders who performed work without compensation for a charitable organization, and to allow the owner of property on which such work was performed to obtain a construction permit.

Currently, under the Act, a person must obtain a permit in order to perform certain construction or repairs. The bill provides that if the construction or repair work were performed without compensation by a residential builder licensed under the Occupational Code for or on behalf of a charitable organization, the required permit could be obtained by the owner of the property on which the work was performed. The bill would apply only to the reconstruction, renovation, or remodeling of one- or two-family dwellings. "Charitable organization" would mean a nonprofit tax-exempt religious, benevolent, educational, philanthropic, or humane organization.

The bill provides that a residential builder licensed under the Occupational Code, who in good faith performed work for a charitable organization under the bill, would not be liable in a civil action brought to recover damages incurred as a result of the work performed. This exemption from liability would not apply if the damages resulted from the licensed person's acting in a willful, wanton, or reckless manner; if the work performed were not done according to the standards that would otherwise be required of the licensee; or, if the licensee had constructive knowledge that the work performed was hazardous or dangerous.

Proposed MCL 125.1510a

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

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

Date Completed: 4-29-97

Fiscal Analyst: M. Tyszkiewicz