



## Memorandum

To: Honorable Members of the Senate Michigan Competiveness Committee  
From: Chris Fisher, President  
RE: Support for House Bill 4813  
Date: February 25, 2016

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On behalf of the members of the Association of Builders and Contractors, we urge you to support passage of House Bill 4813, industry-backed legislation which further promotes Michigan's continued construction industry rebound.

HB 4813 was introduced in response to a 2008 federal court ruling where an injunction was lifted, resulting in new enforcement of jobsite ratios requiring one (1) electrical journeyman or master electrician to every one (1) apprentice.

The Michigan Office of Regulatory Reinvention Report on Occupations Licensing has recommended removing the 1:1 ratio to allow more apprentices on a jobsite. This report also warns that without action the outcome will be "many apprentices losing their jobs."

This regulation has proven to be highly burdensome and inefficient. First, no other construction trade has a ratio requirement. And second, numerous issues have been identified, which are disruptive to employment, costly to comply with, and prohibitive for job training.

As we experience a shortage of skilled trades workers, HB 4813 encourages rigorous apprenticeship training that will help bridge the skills gap in Michigan. Additionally, the legislation ensures Michigan electrical training/apprenticeship programs are subject to a consistent and nationally recognized standard by stipulating that requirements must be identical to the standards established by the US Department of Labor's Bureau of Apprenticeship and Training. These standards are portable and recognized everywhere.

HB 4813 would not impact Electrical Code standards for quality and MIOSHA safety requirements.

For 50 years, we lived in a state without these regulations. The past few years under the current ratio requirement has not improved the industry, but rather worsened it. A more flexible ratio on a jobsite means more opportunities to learn the electrical trade, and will prepare Michigan residents for a rewarding skilled trades career.

We urge your support of House Bill 4813.

Submitted by ABC

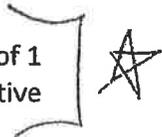


**RECOMMENDATIONS**  
OF THE  
OFFICE OF REGULATORY REINVENTION  
REGARDING  
OCCUPATIONAL LICENSING

February 17, 2012



The most immediate cause of concern is the enforcement of the new required jobsite ratio of 1 electrical journeyman or master electrician to 1 apprentice set forth in Electrical Administrative



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Act, Michigan Compiled Laws 338.883e. This is a highly burdensome and inefficient regulation that did not exist for over 50 years, without incident. Imposing such a requirement on employers will result in many apprentices losing their jobs.

The second issue to arise out of the lifting of the injunction is the examination for current apprentices trained prior to the lifting of the injunction. These apprentices have the required hours and qualifications to meet federal requirements but not all of the state licensing requirements to be eligible to sit for the state examination. They are being penalized but for no reason other than timing of the court decision. There should be a period to grandfather these apprentices for the examination and allow the employers time to get into compliance going forward.

Finally, the provisions set forth in the Electrical Administrative Act include the requirement that all apprentices submit proof that they participated in a bona fide apprenticeship training program approved by the Michigan Electrical Administrative Board and equivalent to the requirements by the US Department of Labor Bureau of Apprenticeship and Training. The requirements set by the U.S. Department of Labor are voluntary. Employers should not be required to follow voluntary federal regulations by mandate of state law.

The provisions discussed here, specifically in MCL 338.883 in the Electrical Administrative Act, were originally passed in 1991. Since the injunction has been lifted to allow for enforcement, numerous issues have been identified which are disruptive to employers, costly to comply with, and prohibitive for job training. The statute should be amended to address these issues.

**Proposed Solution:** The Electrical Administrative Act should be amended to allow for an exception to licensing requirements for businesses performing minimal electrical wiring (MCL 338.887), as well as to alleviate regulatory burdens for electrical apprenticeship programs, licensing examinations, and jobsite ratio requirements (MCL 338.883).

**Rationale for Change:** The recent changes have been extremely disruptive to employers in Michigan. Initiatives to address these issues should begin immediately.

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