# SECOND REGULAR SESSION HOUSE BILL NO. 2400

## 94TH GENERAL ASSEMBLY

### INTRODUCED BY REPRESENTATIVES SCHARNHORST (Sponsor), TILLEY, HUNTER, NASHEED, HOSKINS, ONDER, MUSCHANY, PORTWOOD, ICET, BIVINS, EL-AMIN AND RUESTMAN (Co-sponsors).

Read 1st time March 11, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

5370L.01I

### AN ACT

To amend chapter 324, RSMo, by adding thereto ten new sections relating to the powers and duties of the Missouri electrical industry licensing board, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

	Section A. Chapter 324, RSMo, is amended by adding thereto ten new sections, to be
2	known as sections 324.800, 324.805, 324.810, 324.815, 324.820, 324.825, 324.830, 324.835,
3	324.840, and 324.845, to read as follows:
	324.800. As used in sections 324.800 to 324.845, unless the context clearly means
2	otherwise, the following terms shall mean:
3	(1) "BAT", Bureau of Apprenticeship and Training, a bureau within the United
4	States Department of Labor;
5	(2) "Board", the Missouri electrical industry licensing board;
6	(3) "Certifying entity", the nongovernmental agency or association which certifies
7	or registers individuals who have completed academic and training requirements;
8	(4) "Director", the director of the division of professional registration;
9	(5) "Division", the division of professional registration within the department of
10	insurance, financial institutions and professional registration;
11	(6) "Electrical contracting", engaging in the business of installing, erecting, or
12	maintaining electrical wiring, fixtures, apparatus, equipment, devices, or components,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

regardless of voltage, that are used for generation, transmission, and utilization of 13 14 electricity:

15 (7) "Electrical contractor", a person engaged in electrical contracting. No person, firm, corporation, institution, organization, or representative thereof shall engage in 16 electrical contracting without having a person responsible for such work who is licensed 17 18 under sections 324.800 to 324.845. A licensed electrical contractor shall only represent one 19 firm, person, corporation, institution, or organization at one time;

20 (8) "Local license", a valid license issued by a local political subdivision. Holders 21 of such a license are limited to practice within the political subdivision issuing the license 22 or in a political subdivision that does not require a license;

23 (9) "Person", an individual, corporation, partnership, association, or other legal 24 entity;

25 (10) "Statewide license", a valid license issued or recognized by the electrical 26 industry licensing board that allows the licensee to practice in any jurisdiction regardless of local licensing requirements. 27

324.805. 1. There is hereby created within the division of professional registration a board to be known as the "Missouri Electrical Industry Licensing Board". The board 2 shall consist of eight voting members including all of whom shall be citizens of the United 3 4 States and domiciled within this state. The governor shall appoint the members of the board with the advice and consent of the senate for terms of four years; except as provided 5 in subsection 3 of this section. Four members shall be in good standing with the National 6 Electrical Contractors Association, two members shall be in good standing with the 7 Associated Builders and Contractors, and two members shall be in good standing with the 8 9 Independent Electrical Contractors. All members shall be chosen from lists submitted by the director of the division of professional registration who shall inquire of the 10 Independent Electrical Contractors Association, Associated Builders and Contractors, and 11 12 National Electrical Contractors Association to obtain the names of individuals to be 13 considered.

14 2. No person shall be eligible for reappointment to the board who has served as a member for a total of eight years. A vacancy in the office of any board member shall only 15 16 be filled for the unexpired term.

17 3. The initial appointments to the board shall be three members for terms of two 18 years, three members for terms of three years, and two members for terms of four years. 19 4. Any member of the board may be removed from the board by the governor for 20

neglect of duty required by law, for incompetency or for unethical or dishonest conduct.

21 Upon the death, resignation, disqualification, or removal of any member of the board, the

22 governor shall appoint a successor.

324.810. 1. The board shall elect annually a chairperson and a vice chairperson 2 from the board's membership.

3 2. The division, in collaboration with the board, shall adopt, implement, rescind, 4 amend, and administer such rules and regulations as may be necessary to carry out the provisions of sections 324.800 to 324.845. The division, in collaboration with the board, 5 6 may promulgate necessary rules compatible with sections 324.800 to 324.845, including, but not limited to, rules relating to professional conduct, continuing competency requirements 7 8 for the renewal of licenses, approval of continuing competency programs, and the establishment of ethical standards of practice for persons holding a license pursuant to 9 10 sections 324.800 to 324.845. Any rule or portion of a rule, as that term is defined in section 11 536.010, RSMo, that is created under the authority delegated in this section shall become 12 effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are 13 nonseverable and if any of the powers vested with the general assembly pursuant to 14 chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule 15 are subsequently held unconstitutional, then the grant of rulemaking authority and any 16 17 rule proposed or adopted after August 28, 2008, shall be invalid and void.

3. The board shall convene at the request of the director or as the board shall
determine. The board shall hold regular meetings at least four times per year.

4. Each member of the board shall receive as compensation an amount set by the division not to exceed seventy dollars per day for each day devoted to the affairs of the board and may be reimbursed for actual and necessary expenses incurred in the performance of the member's official duties.

**324.815. 1.** For the purpose of sections **324.800** to **324.845**, the division shall:

2 (1) Employ, within the limits of the appropriations for that purpose, employees as
3 are necessary to carry out the provisions of sections 324.800 to 324.845;

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- (2) Exercise all administrative functions;
- 5 (3) Establish all applicable fees, set at an amount which shall not substantially 6 exceed the cost of administering sections 324.800 to 324.845;

7 (4) Deposit all fees collected pursuant to sections 324.800 to 324.845, by 8 transmitting such funds to the department of revenue for deposit to the state treasury to 9 the credit of the Missouri electrical industry licensing board fund; and

(5) Approve or disapprove certifying entities for professions within the electrical
 industry included in the scope of sections 324.800 to 324.845.

2. The division may terminate recognition of any certifying entity included in the
 scope of sections 324.800 to 324.845 following a subsequent review of the certification of
 registration procedures of a certifying entity.

324.820. 1. Electrical contracting shall not include work done by any employee of an electric utility, a gas corporation as defined by subdivision (18) of section 386.020, 2 3 RSMo, a water corporation as defined by subdivision (58) of section 386.020, RSMo, a 4 railroad corporation, a contractor who services the construction and maintenance of power 5 lines or substations of an electric utility corporation, a municipal utility, a rural electric cooperative, a telecommunications company as defined by subdivision (51) of section 6 386.020, RSMo, when engaged in work of the utility, a federally licensed radio or television 7 broadcast station, a commercial mobile radio service provider licensed by the Federal 8 9 Communications Commission under the commercial mobile radio services rules and regulations, or a private broadcast engineering contractor possessing a valid Society of 10 11 **Broadcast Engineers certification.** 

2. The provisions of sections 324.800 to 324.845 shall not apply to contractors whose
 primary occupation is the design or integration, installation, maintenance, or service of
 cabling infrastructure and products that transport voice, video, audio, and data signals in

15 a commercial or residential premises.

**324.825.** 1. Each electrical contracting firm shall have in its employ, at a 2 supervisory level, at least one licensed electrical contractor.

3 2. The applicant for a statewide electrical contractor's license shall satisfy the
4 following requirements:

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(1) Be twenty-one years of age and a United States citizen;

6 (2) Provide proof of insurance in the amount of five hundred thousand dollars, and
7 post a bond with each political subdivision in which the contractor will perform work, as
8 required by that political subdivision;

9 (3) Pass a standardized and nationally accredited electrical assessment exam 10 created and administered by a third party which meets current national industry 11 standards, as determined by the board;

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- (4) Pay for the costs of such examination; and
- (5) Have completed one of the following:

14 (a) Twelve thousand verifiable practical hours installing equipment and associated15 wiring;

(b) Ten thousand verifiable practical hours installing equipment and associated
 wiring and received an electrical journeyman certificate from a BAT-approved electrical
 apprenticeship program;

(c) An associate's degree from a state-accredited program and eight thousand
 verifiable practical hours installing equipment and associated wiring; or

(d) A four-year electrical engineering degree and four thousand verifiable practical
 hours supervising the installation of equipment and associated wiring.

**3.** Electrical contractors who currently hold an electrical license that is in good standing which was issued by any authority in this state that required, prior to January **1, 2005**, a written exam, and the applicants have passed such exam to obtain such license and have completed twelve thousand hours of verifiable practical experience, shall be issued a statewide license.

4. Notwithstanding any provision of sections 324.800 to 324.845 to the contrary, any person operating as an electrical contractor in a political subdivision that does not require the contractor to hold a local license shall not be required to possess a statewide license under sections 324.800 to 324.845 in order to continue to operate as an electrical contractor in such a political subdivision.

5. The division, in collaboration with the board, may negotiate reciprocal contracts with other states, the District of Columbia, or territories of the United States which require standards for licensure, registration, or certification considered to be equivalent or more stringent than the requirements for licensure under sections 324.800 to 324.845.

6. The statewide electrical contractor's license issued under sections 324.800 to 38 324.845 shall supersede all local electrical contractors' licenses. Political subdivisions shall anot be prohibited from establishing their own local electrical contractor's license but shall recognize a statewide license in lieu of a local license for the purposes of performing contracting work or obtaining permits to perform work within such a political subdivision.

324.830. There is hereby created in the state treasury the "Missouri Electrical Industry Licensing Board Fund", which shall consist of money collected under sections 2 3 324.800 to 324.845. The state treasurer shall be custodian of the fund and may approve 4 disbursements from the fund in accordance with sections 30.170 and 30.180, RSMo. Upon 5 appropriation, money in the fund shall be used solely for the administration of sections 6 324.800 to 324.845. Notwithstanding the provisions of section 33.080, RSMo, to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to 7 8 the credit of the general revenue fund. The state treasurer shall invest moneys in the fund 9 in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. 10 324.835. 1. The division shall mail a renewal notice to the last known address of

2 each person licensed pursuant to sections 324.800 to 324.845 prior to the renewal date.

3 Failure to provide the division with the information required for renewal or to pay the

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4 required fee after such notice shall result in the license being declared inactive and the

5 licensee shall not practice until he or she applies for reinstatement and pays the required
6 fees. The license shall be restored if the application is received within two years of the

7 renewal date.

8 2. Upon request, the division, in collaboration with the board, may grant inactive 9 status to a licensee, if the person:

(1) Does not hold himself or herself out as possessing a license required pursuant
 to sections 324.800 to 324.845 in this state;

(2) Does not maintain any continuing competency requirements established by thedivision, in collaboration with the board.

14 3. If an electrical contractor should transfer employment from one company to 15 another, all permits on the contractor's license must first be cleared. It is the responsibility of the contractor to notify the division of the contractor's intent to transfer employment 16 17 and any current active permits on the contractor's license when transferring employment. Upon such notification, the division will notify all affected political subdivisions via 18 19 electronic communication, of the contractor's status. It shall be assumed all permits are 20 cleared if no response is given otherwise by affected political subdivisions within seventy-21 two hours of the notification. 324.840. 1. The board may refuse to issue or renew or may suspend any license

required pursuant to sections 324.800 to 324.845 for one or any combination of causes
stated in subsection 4 of this section. The board shall notify the applicant in writing of the
reasons for the refusal and shall advise the applicant of his or her right to file a complaint
with the administrative hearing commission as provided by chapter 621, RSMo.

2. The board shall publish via electronic media a list of valid electrical contractors
license holders, contact information and process information for filing grievances, and a
list of current enforcement actions against license holders. This information should be
updated on a weekly basis.

3. The permitting authority of each political subdivision may suspend a contractor's work in that political subdivision for a period of up to thirty days while a complaint is being forwarded by the permitting authority to the board for adjudication.

4. The board may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any holder of any license required by sections 324.800 to 324.845 or any person who has failed to renew or has surrendered his or her license for any one or any combination of the following causes:

(1) Use or unlawful possession of any controlled substance, as defined in chapter
18 195, RSMo, or alcoholic beverage to an extent that such use impairs a person's ability to
19 perform the work of an electrician;

(2) (2) The person has been finally adjudicated and found guilty, or entered a plea of guilty or nolo contendere, in a criminal prosecution under the laws of any state or of the United States, for any offense reasonably related to the qualifications, functions, or duties of any profession licensed or regulated by sections 324.800 to 324.845, for any offense an essential element of which is fraud, dishonesty, or an act of violence, or for any offense involving moral turpitude, whether or not sentence is imposed;

(3) Use of fraud, deception, misrepresentation, or bribery in securing any license
issued pursuant to sections 324.800 to 324.845 or in obtaining permission to take any
examination given or required pursuant to sections 324.800 to 324.845;

(4) Obtaining or attempting to obtain any fee, charge, tuition, or other
 30 compensation by fraud, deception, or misrepresentation;

(5) Incompetency, misconduct, gross negligence, fraud, misrepresentation, or
 dishonesty in the performance of the functions and duties of any profession licensed or
 regulated by sections 324.800 to 324.845;

(6) Violation of, or assisting or enabling any person to violate, any provision of
 sections 324.800 to 324.845 or any lawful rule or regulation adopted pursuant to sections
 324.800 to 324.845;

37 (7) Impersonation of any person holding a license or allowing any person to use his
 38 or her license;

(8) Disciplinary action against the holder of a license or other right to practice any
profession regulated by sections 324.800 to 324.845 granted by another state, territory,
federal agency, or country upon grounds for which revocation or suspension is authorized
in this state;

43 (9) A person is finally adjudged insane or incompetent by a court of competent
 44 jurisdiction;

(10) Assisting or enabling any person to practice or offer to practice any profession
licensed or regulated by sections 324.800 to 324.845 who is not registered and currently
eligible to practice pursuant to sections 324.800 to 324.845;

48 (11) Issuance of a certificate of registration or authority, permit, or license based
49 upon a material mistake of fact;

50 (12) Violation of any professional trust or confidence;

(13) Use of any advertisement or solicitation which is false, misleading, or deceptive
to the general public or persons to whom the advertisement or solicitation is primarily
directed;

(14) Unethical conduct as defined in the ethical standards adopted by the division
 and filed with the secretary of state;

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(15) Violation of the drug laws or rules and regulations of this state, any other state or federal government.

58 5. After the filing of such complaint, the proceedings shall be conducted in 59 accordance with the provisions of chapter 621, RSMo. Upon a finding by the 60 administrative hearing commission that the grounds provided in subsection 2 of this 61 section for disciplinary action are met, the board may, singly or in combination, censure 62 or place the person named in the complaint on probation with such terms and conditions 63 as the board deems appropriate for a period not to exceed five years, or may suspend, for 64 a period not to exceed three years, or may revoke the license, certificate, or permit.

65 **6.** An individual whose license has been revoked shall wait at least one year from 66 the date of revocation to apply for relicensure. Relicensure shall be at the discretion of the 67 board after compliance with all requirements of sections 324.800 to 324.845 relative to the 68 licensing of the applicant for the first time.

324.845. 1. Any person or corporation who knowingly violates any provision of 2 sections 324.800 to 324.845 is guilty of a class B misdemeanor.

2. Any officer or agent of a corporation or member or agent of a partnership or
association, who knowingly and personally participates in, or is an accessory to, any
violation of sections 324.800 to 324.845 is guilty of a class B misdemeanor.

3. The provisions of this section shall not be construed to release any person from
7 civil liability or criminal prosecution pursuant to any other law of this state.

8 4. The division, in collaboration with the board, may cause a complaint to be filed 9 for any violation of sections 324.800 to 324.845 in any court of competent jurisdiction and 10 perform such other acts as may be necessary to enforce the provisions of sections 324.800 11 to 324.845.

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