

HB 500 -- MECHANICAL CONTRACTOR LICENSING ACT

SPONSOR: Schroer

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Professional Registration and Licensing by a vote of 9 to 4. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 7 to 3.

This bill establishes the "Missouri Statewide Mechanical Contractor Licensing Act".

As specified in the bill, the Statewide Mechanical License for mechanical contractors will be regulated by the Division of Professional Registration, and not a state-appointed licensing board. The bill creates the "Office of Mechanical Contractors" within the Division, to carry out the provisions of the bill.

Applicants for a statewide mechanical license must be 21 years old, provide proof of liability insurance in the amount of \$1 million, pass certain standardized mechanical assessment tests, and have completed 7,500 hours of field experience or at least a Bachelor's degree with a minimum of three years of experience supervising a field employee.

A company that wants to engage in mechanical contracting is required to employ at least one statewide license-holder, and if the company loses their license-holder, they have six months to register a new license-holder before being declared inactive. A Statewide Licensed Mechanical Contractor may represent only one company at a time. A company must have at least one license-holder give eight hours of training each year.

Political subdivisions may establish their own local Mechanical Contractor's License, but shall recognize a statewide license in lieu of a local license. A political subdivision cannot require the employees of a statewide licensed mechanical contractor or its subcontractors or manufacturers' to obtain journeymen licenses, apprenticeship licenses, or occupational licenses that require passing any examination or any special requirements to assess mechanical proficiency. The Statewide Mechanical Contractor License can be used to perform work in any political subdivision.

If a political subdivision does not recognize a statewide license, a Statewide Mechanical Contractor Licensee may file a complaint with the Division, which must investigate such complaint. If the Division finds that the political subdivision failed to recognize a statewide license, the Division shall notify the political subdivision of such violation and grant them 30 days to comply. If

after 30 days the political subdivision does not comply, the Division shall notify the Director of the Department of Revenue, who shall withhold any moneys the political subdivision would otherwise be entitled to from local sales tax until the political subdivision is in compliance.

This bill establishes the "Missouri Mechanical Contractor Licensing Fund" in the State Treasury, which shall be expended for the administration of the Statewide Mechanical Contractor Licensure.

Mechanical contractor licenses shall expire after 24 months. Failure to renew the license will result in the license being declared inactive and the licensee cannot practice until the license is renewed. A licensee must also have at last 16 hours of training to renew the license.

Any person operating as a mechanical contractor in a political subdivision that does not require a local license or who operates in a political subdivision with a local license is not required to possess a statewide license to operate as a mechanical contractor in such political subdivision.

The Division may refuse to issue the license and may cause a complaint to be filed with the Administrative Hearing Commission against any holder of a license for reasons outlined in the bill. Upon a finding by the Administrative Hearing Commission that grounds for disciplinary action are met, the Division may censure, place on probation, suspend, or revoke any license. Upon a judicial or administrative finding of a violation of this act, the Division may assess fines up to \$5,000.

Any person who knowingly violates the provisions of this act is guilty of a class B misdemeanor.

This bill is the same as SB 11 (2021), and similar to SCS SB 559, HCS HB 1891, HCS SS SCS SBs 673 & 560 (2020), SB 376 and HCS HB 326 (2019).

PROPONENTS: Supporters say that the current system is impractical and overly burdensome. This bill would streamline the process while still ensuring quality service. The license created under this bill is not required and therefore creates no additional burden; this license is simply an optional license that would take the place of multiple local licenses. Supporters say this bill is similar to the bill establishing a statewide license for electrical contractors that was adopted several years ago.

Testifying for the bill were Representative Schroer; Brian Agers; Gateway Air Conditioning Contractors; Kellie Jones, Gateway Air

Conditioning Contractors; Missouri Chamber of Commerce and Industry; Mike Keeven; Tyler Menos; Shane Awtrey; Associated Builders And Contractors; and Mark Jackson.

OPPONENTS: Those who oppose the bill say that the bill takes away the local government's oversight authority and ability to protect the safety of local residents. The statewide license allows individuals to circumvent local oversight. Opponents also testified that there are 11 different disciplines within mechanical contracting which would make it difficult for one person holding a license to oversee employees who may be working in all of the different disciplines. Opponents also stated that the training requirements for the statewide license would lower the bar for the installation of fire sprinklers.

Testifying against the bill were Paul Richard, National Fire Sprinkler Association; Mechanical Contractors Association of Kansas City; Mechanical Contractors Association-Eastern Missouri; Plumbers and Pipefitters 562; Plumbing Industry Council; Sheet Metal and Air Conditioning Contractors National Association, St. Louis Chapter; and Missouri Association of Plumbing, Heating, and Cooling Contractors.

OTHERS: Others testifying on the bill say there is already statewide certification and training requirements for propane gas so the industry would like to be exempt from this bill.

Testifying on the bill was Missouri Propane Gas Association.