FIRST REGULAR SESSION

HOUSE BILL NO. 547

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WEST.

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 324, RSMo, by adding thereto nine new sections relating to statewide mechanical contractor licenses, 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 nine new sections, to 2 be known as sections 324.950, 324.953, 324.956, 324.959, 324.962, 324.965, 324.968, 3 324.971, and 324.974, to read as follows:

324.950. 1. The provisions of sections 324.950 to 324.974 shall be known and 2 may be cited as the "Missouri Statewide Mechanical Contractor Licensing Act" and 3 shall not be affected by the provisions of section 324.009. The provisions of sections 4 324.950 to 324.974 shall not be construed to affect the provisions of chapter 341.

5 2. As used in sections 324.950 to 324.974, unless the context clearly indicates 6 otherwise, the following terms shall mean:

7 (1) "Apprentice", a person who holds a valid statewide mechanical apprentice 8 license to perform mechanical work for, and under the direct supervision of, a 9 journeyman;

10 (2) "Contractor", a person who holds a valid statewide mechanical contractor 11 license and who is employed by a corporation, firm, institution, organization, or 12 company to perform mechanical work and directly supervise the performance of 13 mechanical work by journeymen;

14 (3) "Division", the division of professional registration within the department of 15 commerce and insurance;

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.

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(4) "Journeyman", a person who holds a valid statewide mechanical
journeyman license to perform mechanical work for, and under the supervision of
and inspection of, a contractor, and to supervise and inspect the mechanical work of an
apprentice;
(5) "Local license", a license issued by a political subdivision and valid only in
that political subdivision that is required to bid, accept, or perform mechanical work;
(6) "Mechanical work", work per the International Code Council, International

Association of Plumbing and Mechanical Officials, or the National Fire Protection
 Association (NFPA) 99. The term "mechanical work":

(a) Shall include the design, installation, maintenance, construction, alteration,
 repair, and inspection of any:

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a. HVAC system and associated appurtenances;

28 b. HVAC duct system and associated appurtenances;

29 c. Exhaust systems and associated appurtenances;

30 d. Combustion air or makeup air and associated appurtenances;

e. Chimneys and vents and associated appurtenances, excluding those regulated
by local ordinances as such existed on April 18, 2023;

f. Hydronic piping systems and associated appurtenances that are part of an
 HVAC system;

35 g. Boilers, water heaters that are one hundred twenty gallons and above, or two 36 hundred thousand British thermal units (BTUs) and above, and pressure vessels and 37 associated appurtenances, excluding those covered by a nationally standardized 38 plumbing code, those regulated by local ordinances as such existed on April 18, 2023, 39 or those used for potable water systems;

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h. Process piping systems and associated appurtenances;

41 i. Fuel gas distribution piping and associated appurtenances, excluding those
42 regulated by local ordinances as such existed on April 18, 2023;

j. Fuel oil-fired and solid fuel appliances and associated appurtenances,
excluding those covered by a nationally standardized plumbing code or local ordinances
promulgated by a political subdivision of this state as such ordinances existed on April
18, 2023;

40 **10**, 2023, 47 **k. Fuel**

k. Fuel oil piping and storage vessels and associated appurtenances;

48 **I.** Fuel oil-fired and solid fuel appliance venting systems and associated 49 appurtenances;

50 m. Equipment and appliances intended to utilize solar energy for space heating 51 or cooling together with associated appurtenances;

52 n. Process heating and associated appurtenances;

53 o. Refrigeration systems, including all equipment and components thereof and 54 associated appurtenances;

55 p. Nonmedical air, nonmedical oxygen, and nonmedical vacuum piping for 56 mechanical equipment and associated appurtenances, excluding work covered by a 57 nationally standardized plumbing code;

q. Liquefied petroleum gas distribution piping and associated appurtenances,
excluding work covered by a nationally standardized plumbing code or local ordinances
as such ordinances existed on April 18, 2023;

r. Biogas, biodiesel, hydrogen processing systems, and ethanol distribution and
 associated appurtenances;

63 s. Chillers, cooling towers, and associated support steel and appurtenances for 64 cooling towers;

65 t. Petroleum piping and venting together with associated equipment and 66 associated appurtenances, pumps, and tanks governed by NFPA 30 and 30a;

u. All fuel and petroleum pipelines, piping, and associated pumping stations with
 associated equipment and appurtenances; and

v. All associated equipment and facilities related to subparagraphs a. to u. of thisparagraph; and

(b) Notwithstanding the provisions of this subdivision to the contrary, shall not
include, and the provisions of sections 324.950 to 324.974 shall not apply to, the design,
installation, maintenance, construction, alteration, repair, or inspection of any:

a. Solid-fuel or gas-fueled hearth appliance including, but not limited to, wood
 stoves and fireplaces, manufacturer-specified venting systems, fireplace chimneys,
 outdoor cooking appliances with manufacturer-specified venting systems, outdoor
 fireplaces, or outdoor fire pits;

78b. Propane-related equipment for which certification is required by any79regulation adopted under subdivision (3) of subsection 13 of section 323.025; or

c. Fire sprinkler or suppression systems.

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82 Additional certification may be required by the division for a particular scope of 83 mechanical work;

(7) "Residential work", service-related and replacement-related mechanical
 work in an existing domicile for or on behalf of the individual owners or renters
 occupying:

87 (a) Single-family houses;

88 (b) An individual dwelling unit in a duplex, triplex, or fourplex; or

(c) An individual dwelling unit in an apartment building containing five or more
 apartments.

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92 The term "residential work" shall not include new construction or work required for a93 building or structure as a whole that services more than one dwelling unit;

94 (8) "Statewide mechanical apprentice license", a valid license issued by the 95 division to an apprentice to physically perform mechanical work under the direct 96 supervision and inspection of a journeyman;

97 (9) "Statewide mechanical contractor license", a valid license issued by the 98 division to a contractor to bid and accept mechanical work in any political subdivision 99 regardless of local requirements to bid and accept mechanical work, to physically 100 perform mechanical work, and to directly supervise and inspect the mechanical work of 101 a journeyman;

(10) "Statewide mechanical journeyman license", a valid license issued by the
 division to a journeyman to physically perform mechanical work under the supervision
 and inspection of a contractor and to directly supervise and inspect the mechanical
 work of an apprentice.

324.953. 1. The division shall adopt, implement, rescind, amend, and administer 2 such rules as may be necessary to carry out the provisions of sections 324.950 to 324.974 3 including, but not limited to, rules on:

4 (1) Training, education, and experience requirements for licensure under 5 sections 324.950 to 324.974;

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(2) Application forms and fees;

7 (3) Professional education units for license renewal and approval of professional
 8 education programs;

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(4) Renewal dates, notifications of renewal, and renewal applications and fees;

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(5) Inactive licenses and reinstatement procedures; and

(6) Professional conduct and ethical standards of business practice for licensees.

Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2025, shall be invalid and void.

2. For the purpose of sections 324.950 to 324.974, the division shall:

22 (1) Employ, within the limits of the appropriations for such purpose, employees 23 as are necessary to carry out the provisions of sections 324.950 to 324.974;

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(2) Exercise all administrative functions;

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(3) Establish all applicable fees, set at an amount that shall not substantially 26 exceed the cost of administering sections 324.950 to 324.974;

27 (4) Deposit all fees collected by transmitting such funds to the department of 28 revenue for deposit to the state treasury to the credit of the Missouri mechanical 29 contractor licensing fund established under section 324.956;

30 (5) Enter into agreements with the boiler and pressure vessel safety unit within the division of fire safety of the department of public safety to investigate complaints 31 against a licensee from persons who receive services from the licensee and for the 32 33 submission of a report to the division of such investigation, provided that the division 34 shall retain the authority to institute any enforcement action against a licensee as a result of an investigation under this subdivision. Nothing in this subdivision shall be 35 36 construed to prevent the boiler and pressure vessel safety unit from reporting a violation 37 of sections 324.950 to 324.974 found during a routine inspection to the division; and

38 (6) Institute actions to enforce compliance with the provisions of sections 324.950 to 324.974. 39

40 3. No new licensing activity assigned to the division under sections 324.950 to 324.974 shall become effective until the initial rules filed under this section have become 41 42 effective.

324.956. There is hereby created in the state treasury the "Missouri Mechanical 2 Contractor Licensing Fund", which shall consist of moneys collected under sections 3 324.950 to 324.974. 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. Upon appropriation, moneys in the fund shall be used solely for the administration of sections 5 6 324.950 to 324.974. The provisions of section 33.080 to the contrary notwithstanding, moneys in this fund shall not be transferred and placed to the credit of general revenue 7 until the amount in the fund at the end of the biennium exceeds three times the amount 8 9 of the appropriation from the fund for the preceding fiscal year. The amount, if any, in the fund that shall lapse is that amount in the fund that exceeds the appropriate multiple 10 11 of the appropriations from the fund for the preceding fiscal year. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any 12 13 interest and moneys earned on such investments shall be credited to the fund.

324.959. The provisions of sections 324.950 to 324.974 shall not apply to 2 mechanical work, including residential work, performed in any county with more than

3 two hundred sixty thousand but fewer than three hundred thousand inhabitants, any 4 county with more than fifty thousand but fewer than sixty thousand inhabitants and 5 with a county seat with more than ten thousand but fewer than twelve thousand six 6 hundred inhabitants, or any county with more than one hundred twenty thousand but 7 fewer than one hundred fifty thousand inhabitants, or any political subdivision 8 contained within such counties.

324.962. 1. The applicant for a statewide mechanical contractor license shall 2 have:

3 (1) Completed the application form provided by the division and paid any 4 applicable application fees;

5 (2) Provided proof of liability insurance in the amount of one million dollars and 6 posted bond with each political subdivision in which he or she will perform work, as 7 required by that political subdivision; and

8 (3) Completed the educational, training, and experience requirements equal to 9 or greater than that of a contractor's license, as such existed on April 18, 2023, in the 10 mechanical code or ordinance of any county with more than one million inhabitants.

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2. The applicant for a statewide mechanical journeyman license shall have:

12 (1) Completed the application form provided by the division and paid any 13 applicable application fees; and

14 (2) Completed the educational, training, and experience requirements equal to 15 or greater than that of a journeyman license, as such existed on April 18, 2023, in the 16 mechanical code or ordinance of any county with more than one million inhabitants.

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3. The applicant for a statewide mechanical apprentice license shall have:

18 (1) Completed the application form provided by the division and paid any 19 applicable application fees; and

20 (2) Completed the educational, training, and experience requirements equal to 21 or greater than that of an apprentice license, as such existed on April 18, 2023, in the 22 mechanical code or ordinance of any county with more than one million inhabitants.

324.965. 1. Any corporation, firm, institution, organization, company, or 2 representative thereof engaging in mechanical work in a political subdivision that 3 requires a local license in order to perform such work shall:

4 (1) Have in its employ, at a supervisory level, at least one statewide mechanical 5 contractor licensee, or an equivalent local licensee. A statewide mechanical contractor 6 licensee shall represent only one firm, company, corporation, institution, or organization 7 at one time;

8 (2) For purposes of performing residential work, have either a statewide 9 mechanical contractor licensee or a statewide mechanical journeyman licensee to 10 perform, direct, inspect, or supervise the work, or the equivalent local licensee; and

11 (3) For all other mechanical work, have at least one statewide mechanical 12 journeyman licensee on site for every statewide mechanical apprentice licensee 13 performing the work, or the equivalent local licensee.

Any person performing mechanical work in a political subdivision that does
 not require the person to hold a local license, or any person who possesses such local
 license, shall not be required to obtain or possess a statewide license under sections
 324.950 to 324.974 to perform mechanical work in such political subdivision.

3. (1) Political subdivisions shall not be prohibited from establishing their own mechanical contractor, journeyman, or apprentice licenses, but shall recognize a statewide license in lieu of the equivalent local license for the purpose of performing mechanical work in such political subdivision. A statewide licensee under sections 324.950 to 324.974 shall be deemed eligible to perform mechanical work and to obtain permits to perform such work from any political subdivision in this state commensurate with the corresponding local license.

(2) Nothing in sections 324.950 to 324.974 shall be construed to prohibit a
political subdivision from enforcing any of the political subdivision's codes, ordinances,
or laws; inspecting the work of licensees; or reporting suspected violations of sections
324.950 to 324.974 to the division for investigation of the licensee.

4. (1) If a political subdivision does not recognize a statewide license in lieu of an equivalent local license for the purposes of performing mechanical work or obtaining permits to perform mechanical work within the political subdivision, a statewide licensee may file a complaint with the division.

33 (2) The division shall perform an investigation into the complaint, and if the 34 division finds that the political subdivision failed to recognize a statewide license in 35 accordance with the provisions of this section, the division shall notify the political 36 subdivision that the political subdivision has violated the provisions of this section and 37 has thirty days to comply with the law.

38 (3) If, after thirty days have passed since the date of the notification by the 39 division, the political subdivision continues to refuse or fail to recognize a statewide 40 license, the division shall notify the director of the department of revenue, who shall 41 withhold any moneys that the noncompliant political subdivision would otherwise be 42 entitled to from local sales tax, as defined in section 32.085, until the director has 43 received notice from the division that the political subdivision is in compliance with this 44 section.

45 (4) When the political subdivision becomes compliant with the provisions of this 46 section, the division shall notify the director of the department of revenue, who shall 47 disburse all funds held under this subsection. Moneys held by the director of the 48 department of revenue under this subsection shall not be deemed to be state funds and 49 shall not be commingled with any funds of the state.

324.968. Licenses issued under sections 324.950 to 324.974 shall expire on a renewal date established in rule by the division. The term of licensure shall be three years. The division shall mail a renewal notice prior to the renewal date. Professional education units needed for license renewal, as well as procedures involving inactive licenses and reinstatement of licenses, shall be equal to those in the mechanical code or ordinance, as such existed on April 18, 2023, of any county with more than one million inhabitants.

324.971. 1. The division may refuse to issue or renew or may suspend any license under sections 324.950 to 324.974 for one or any combination of causes stated in subsection 3 of this section. The division 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.

6 2. The division shall publish via electronic media and update on a weekly basis a 7 list of valid statewide mechanical contractor licensees under sections 324.950 to 324.974, 8 a list of current enforcement actions against such licensees, and the procedures for filing 9 grievances against any statewide mechanical contractor, mechanical journeyman, and 10 mechanical apprentice licensees.

3. The division may cause a complaint to be filed with the administrative hearing
commission as provided by chapter 621 against any licensee under sections 324.950 to
324.974 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:

15 (1) The person has been finally adjudicated and found guilty, or entered a plea of 16 guilty or nolo contendere, in a criminal prosecution under the laws of any state, of the 17 United States, or of any country for any offense directly related to the duties and 18 responsibilities of the occupation, as set forth in section 324.012, regardless of whether a 19 sentence is imposed;

20 (2) Use of fraud, deception, misrepresentation, or bribery in securing any license 21 issued under sections 324.950 to 324.974 or in obtaining permission to take any 22 examination given or required under sections 324.950 to 324.974;

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

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(4) Incompetence, misconduct, gross negligence, fraud, misrepresentation, or
 dishonesty in the performance of the functions and duties of any profession licensed or
 regulated under sections 324.950 to 324.974;

(5) Violation of, or assisting or enabling any person to violate, any provision of
 sections 324.950 to 324.974 or any lawful rule adopted under sections 324.950 to
 324.974;

(6) Impersonation of any person holding a license or allowing any person to usehis or her license;

(7) Final adjudication of a person as incompetent by a court of competentjurisdiction;

35 (8) Assisting or enabling any person to practice, or offer to practice, any 36 profession licensed or regulated under sections 324.950 to 324.974 who is not licensed 37 and currently eligible to practice under sections 324.950 to 324.974 or who does not 38 possess an active equivalent local license if required by a political subdivision; or

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(9) Issuance of a license based upon a material mistake of fact.

40 **4.** After the filing of such complaint, the proceedings shall be conducted in 41 accordance with the provisions of chapter 621. Upon a finding by the administrative 42 hearing commission that the grounds provided in subsection 3 of this section for 43 disciplinary action are met, the division may, singly or in combination, censure or place 44 the person named in the complaint on probation with such terms and conditions as the 45 division deems appropriate for a period not to exceed five years, or may suspend, for a 46 period not to exceed three years, or revoke the license.

5. An individual whose license has been revoked shall wait at least one year from the date of revocation to apply for relicensure. Relicensure shall be at the discretion of the division after compliance with all requirements of sections 324.950 to 324.974 relative to the previous licensing of the applicant.

324.974. 1. Any person who knowingly violates any provision of sections 324.9502 to 324.974 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 324.950 to 324.974 is guilty of a class B misdemeanor.

6 3. The division may cause a complaint to be filed for any violation of sections 7 324.950 to 324.974 in any court of competent jurisdiction and perform such other acts as 8 may be necessary to enforce the provisions of sections 324.950 to 324.974.