HB 1317 Driver, et al. (CSHB 1317 by Homer)

SUBJECT: Revising regulation of electricians

COMMITTEE: Licensing and Administrative Procedures — committee substitute

recommended

VOTE: 7 ayes — Flores, Geren, Chisum, Goolsby, Homer, D. Jones, Morrison

0 nays

2 absent — Hamilton, Quintanilla

WITNESSES: For — None

Against — Michael Ber; David Wilson, Texas Electrical Safety

Association

BACKGROUND: The 78th Legislature in 2003 enacted HB 1487 by Driver, the Texas

Electrical Safety and Licensing Act, which created statewide standards and regulations for overseeing and licensing those working in the electrical trade. The Texas Department of Licensing and Regulation

(TDLR) was charged with administering the act.

Before 2003, licensing and regulation of electrical work was solely a local responsibility. Some municipalities and regions have licensing programs for electricians, while others do not. The act allows the state to issue an equivalent license to experienced electricians, even if they work in areas that do not issue local licenses. There were similar grandfathering provisions for those who held locally issued licenses. Applications for these equivalent licenses were due to be submitted by June 1, 2004.

Examples of the licenses added by the act are:

- master electrician, which requires at least 12,000 hours of on-thejob training under the supervision of a master electrician and passage of the relevant exam;
- master sign electrician, which requires at least 12,000 hours of onthe-job training under the supervision of a master sign electrician and passage of the relevant exam; and

• electrical apprentice, which requires the apprentice to be at least 16 years old and engaged in assisting with electrical work under the supervision of a licensed master electrician.

DIGEST:

CSHB 1317 would amend several sections of the Texas Electrical Safety and Licensing Act. Specifically, it would define further the work of various types of electricians, extend the grandfather clause that allows for licensure without an exam, and exempt further categories of electrical work from the act's provisions.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

License definitions and categories. The duties of a master electrician would include performing all electrical work, including electrical work performed by a master sign electrician, supervising an electrician, verifying compliance with on-the-job training requirements, and serving as master of record for an electrical sign contractor.

The bill would amend provisions relating to certain apprentice licenses. It describes a new category of license — an electrical sign apprentice license — and requirements for application. The bill also would allow for a temporary apprentice license category and an emergency electrician license for out-of-state electricians assisting with work during a disaster.

Grandfather clause. The bill would extend the act's grandfather clause, which allowed experienced electricians to qualify for the state license without sitting for an exam, to military personnel who were on active duty between March and June 2004, had the required experience, and paid the application fee. This option would expire 90 days after discharge from the military or January 1, 2007, whichever came first.

If an applicant had worked in the field in an area where a municipal or regional licensing program did not exist and was unable to provide proof of on-the-job training certified by a master electrician, TDLR could accept alternative documentation of this experience for the purposes of issuing an equivalent state license. An applicant would be able to apply under these terms through December 31, 2005, and TDLR would give specific notice of this extension.

A person who held a license in a city or region that elected to discontinue issuing or renewing licenses would be able to apply for an equivalent state license without complying with the exam requirement. This person would have to have held the relevant local license for the preceding year and would have to submit the application within 90 days of the date the city stopped issuing or renewing licenses.

Other requirements and enforcement authority. The bill would require TDLR to approve online continuing education courses. CSHB 1317 also would remove the late renewal provision. Finally, the bill would allow TDLR to take action against unlicensed electricians who in addition to performing electrical work had offered to perform such work.

Exemptions. The bill would not apply to the installation of electrical equipment in a mobile home or recreational vehicle or to electrical work performed on agricultural use equipment and buildings or on well-pumps. Also exempted would be work required for manufactured homes and onsite assembly of manufactured homes. Sewage facility installers also would be exempted.

In addition to already exempt electrical utilities, the act would not apply to affiliated power generation companies. The exemption for the chemical and petrochemical industry would be revised to exempt most contract electricians working for a period of at least 12 months with a specific chemical plant petrochemical plant, refinery, natural gas plant, or natural gas treatment plant. Governmental entities such as school districts and cities would not be required to hold an electrical or electrical sign contractor license to employ an electrician to perform work for the entity.

SUPPORTERS SAY:

CSHB 1317 would amend and clarify portions of the Texas Electrical Safety and Licensing Act, which was enacted in 2003. The bill also would incorporate into law the recommendations made in the House Licensing and Administrative Procedures Committee's Interim Report to the 79th Texas Legislature. It simply is a clean-up bill that would correct technical problems and unintended consequences discovered during the process of implementing the act. Such small implementation adjustments are inevitable when an industry becomes newly regulated by the state.

One area of concern identified in the interim report was the inability of some individuals with years of experience to qualify for a license under the new rules. The act as initially implemented required individuals to

have work experience under a master electrician in order to qualify for a grandfathered license without examination. Legislative intent regarding this directive was unclear and initially was interpreted too restrictively by TDLR. However, TDLR adopted an appropriate emergency rule on the issue by allowing "alternative documentation" to satisfy the on-the-job training requirement in the act for license qualification without an exam. CSHB 1317 would codify this emergency rule to allow electricians who practice in areas that do not have licensing programs to submit "alternative documentation" of experience in order to qualify for a state license.

CSHB 1317 also would reopen the grandfather period through the end of 2005. This would give an extended opportunity to qualified individuals who negatively were affected by the first agency interpretation of the act's on-the-job training requirements to obtain a license without examination. It also would assure that all eligible electricians received notification of the new mandatory licensing requirement. Finally, the grandfathering period appropriately would be extended to allow military personnel who were unable to apply during the initial grandfathering period to obtain a license without taking an exam.

Requirements for TDLR to accept alternative documentation of work experience would not compromise the quality of electrical work because a master electrician still would need to abide by all local standards, permits, and inspections.

It is important that TDLR make available online continuing education courses for electricians because it would give electricians across the state, particularly in rural areas, a convenient opportunity to fulfill continuing education requirements. TDLR staffing resources would not be a factor in this requirement because the agency simply could approve online courses offered by outside organizations.

The purpose of the act is to protect the safety of tradesmen and the public. Exemptions to the licensing requirements, therefore, were carefully and narrowly drawn to address substantiated concerns. The exemptions would take into consideration expert opinion regarding industry considerations and the effect of other laws. The exemption for water drillers, for example, would be granted because water drillers already are governed by other sections of the Occupations Code, and Texas does not require dual licensing. The exemptions are specific and would not allow the law to be interpreted in an inappropriate or unintended manner.

OPPONENTS SAY:

CSHB 1317 would compromise public safety by adding exemptions to an act that already exempts too many categories of electrical work. There is no reason most of the workers that this bill proposes to exempt should not have to comply with the act. A statewide licensing program should regulate all electricians and protect all Texans.

Codifying the emergency "alternative documentation" rule would lower the standards of the profession and further compromise public safety. The form that serves as alternative documentation requires nothing more in the way of proof than a signed personal statement of compliance. No additional verification or third-party review of qualifications is required, and the form need not even be notarized. The state cannot possibly verify the integrity of these statements, nor can it assure that an electrician who receives a license simply by signing a form is of comparable quality to a licensed electrician who studied for months to pass an exam. Public safety is compromised if unqualified people receive state licenses. The grandfathering period should not be reopened and the alternative documentation rule should not be codified.

TDLR should not offer or approve online continuing education courses because the agency does not have enough staff recourses to monitor and verify compliance with such programs.

NOTES:

The committee substitute would exempt from the bill power generation companies affiliated with utilities and electrical work required for manufactured homes and on-site assembly of manufactured homes. It also would exempt most contract electricians working for the chemical and petrochemical industry. The substitute would allow TDLR to take action against unlicensed electricians who offered to perform electrical work and provides that a temporary apprentice license would expire after 21 days. It also would grandfather veterans who applied for licenses. The substitute would allow online continuing education courses to be offered by an outside entity and adds language that would notify the public of the reopened grandfather period.

The companion bill, SB 1286 by Armbrister, has been referred to the Senate Business and Commerce Committee.