

## **BILL ANALYSIS**

Senate Research Center  
85R29666 JCG-F

C.S.H.B. 3029  
By: Frullo (Whitmire)  
Business & Commerce  
5/19/2017  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties assert that the demand for jobs within the air conditioning and refrigeration industry will increase significantly in the coming years and that the supply of trained workers within this industry in Texas and across the nation is insufficient to meet this demand. H.B. 3029 makes changes that will help encourage individuals to enter this industry. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 3029 amends current law relating to air conditioning and refrigeration contracting and the education and certification of air conditioning and refrigeration technicians.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission of Licensing and Regulation is modified in SECTION 2 (Section 1302.1011, Occupations Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1302.002, Occupations Code, by amending Subdivision (5-c) and adding Subdivision (5-d) to define "certification training program" and to redefine "certified technician."

SECTION 2. Amends Section 1302.1011, Occupations Code, as follows:

Sec. 1302.1011. RULES. Requires the Texas Commission of Licensing and Regulation (TCLR) to adopt rules:

- (1) providing for the licensing, certification, and registration of persons under this chapter (Air Conditioning and Refrigeration Contractors), including requirements for the issuance and renewal of a contractor license, a technician certification, and a technician registration;
- (2) establishing fees necessary for the administration of this chapter, including fees for issuance and renewal of a contractor license, a technician certification, and a technician registration; and
- (3) makes no changes to this subdivision.

SECTION 3. Amends Section 1302.255(a), Occupations Code, as follows:

(a) Requires an applicant for a license under this subchapter (Air Conditioning and Refrigeration Contractors) to:

- (1) be at least 18 years old; and
- (2) have:
  - (A) creates this paragraph from existing text and makes a nonsubstantive change; or

(B) held a technician certification issued under this chapter for the preceding 12 months and have at least 36 months of practical experience in air conditioning and refrigeration-related work under the supervision of a licensed air conditioning and refrigeration contractor in the preceding 48 months.

SECTION 4. Amends Section 1302.262(a), Occupations Code, to require a person who obtains a license under this subchapter to provide a notice to the municipal authority that enforces air conditioning and refrigeration contracting regulations in the municipality in which the person engages in air conditioning and refrigeration contracting, if the municipality requires the notice, rather than in the municipality in which the person engages in air conditioning and refrigeration contracting.

SECTION 5. Amends Section 1302.263, Occupations Code, as follows:

Sec. 1302.263. **LIMITATION ON LICENSE HOLDER.** Prohibits a person licensed as a contractor under this chapter from:

(1) makes no changes to this subdivision;

(2) using the services of a person to assist in the performance of air conditioning and refrigeration maintenance work unless the person is a, rather than using the services of a person who is not a registered technician or a licensed air conditioning and refrigeration contractor to assist in the performance of air conditioning and refrigeration maintenance work:

(A) registered or certified technician;

(B) licensed air conditioning and refrigeration contractor; or

(C) student described by Section 1302.502 who performs the work in that capacity.

SECTION 6. Amends Section 1302.402, Occupations Code, to provide that a proceeding for the denial of a license, certification, or registration application, rather than a license or registration application, or disciplinary action and an appeal from that proceeding are governed by Chapter 2001 (Administrative Procedure), Government Code.

SECTION 7. Amends Section 1302.453(a), Occupations Code, to provide that a person commits an offense if the person is not a student described by Section 1302.502 and knowingly engages in air conditioning and refrigeration maintenance work without holding a contractor license or a technician registration or certification, rather than knowingly engages in air conditioning and refrigeration maintenance work without holding a contractor license or technician registration, issued under this chapter.

SECTION 8. Amends Section 1302.501, Occupations Code, as follows:

Sec. 1302.501. **New heading: REGISTRATION OR CERTIFICATION REQUIRED.** (a) Prohibits a person, except as otherwise provided by this subchapter (Air Conditioning and Refrigeration Technicians), from acting or offering to act as an air conditioning and refrigeration technician unless the person is registered or certified under this subchapter.

(b) Provides that an air conditioning and refrigeration technician registration or certification, rather than technician registration, is valid throughout the state.

(c) Makes a conforming change.

SECTION 9. Amends Subchapter K, Chapter 1302, Occupations Code, by adding Section 1302.502, as follows:

Sec. 1302.502. EXEMPTION FOR CERTAIN STUDENTS. Provides that a person is not required to be registered or certified under this subchapter to act or offer to act as an air conditioning and refrigeration technician if the person meets certain criteria.

SECTION 10. Amends the heading to Section 1302.503, Occupations Code, to read as follows:

Sec. 1302.503. SUPERVISION REQUIREMENTS FOR TECHNICIANS.

SECTION 11. Amends the heading to Section 1302.5035, Occupations Code, to read as follows:

Sec. 1302.5035. REGISTRATION ELIGIBILITY REQUIREMENTS.

SECTION 12. Amends Subchapter K, Chapter 1302, Occupations Code, by adding Section 1302.5036, as follows:

Sec. 1302.5036. CERTIFICATION ELIGIBILITY REQUIREMENTS. Sets forth the eligibility requirements for an applicant for an air conditioning and refrigeration technician certification under this subchapter.

SECTION 13. Amends Section 1302.504(a), Occupations Code, to require an applicant for an air conditioning and refrigeration technician registration or certification, rather than technician registration, to submit a verified application on a form prescribed by the executive director of the Texas Department of Licensing and Regulation (TDLR).

SECTION 14. Amends Subchapter K, Chapter 1302, Occupations Code, by adding Section 1302.5055, as follows:

Sec. 1302.5055. ISSUANCE AND TERM OF CERTIFICATION. (a) Requires TDLR to issue an air conditioning and refrigeration technician certification to an applicant who meets certain requirements.

(b) Authorizes an applicant who received a certification under this subchapter to use the designation "certified technician."

(c) Provides that a certification issued under this subchapter expires on the first anniversary of the date of issuance.

SECTION 15. Amends Section 1302.509, Occupations Code, as follows:

Sec. 1302.509. New heading: LIMITATIONS ON TECHNICIAN. Prohibits a person registered or certified, rather than a person registered, under this subchapter from performing certain actions.

SECTION 16. Repealer: Section 1302.262(c) (relating to authorizing a municipality to charge and set the amount of a fee to a person who provides a certain required notice), Occupations Code.

Repealer: Section 1302.508 (Certified Technician), Occupations Code.

SECTION 17. Requires TDLR, not later than April 1, 2018, to adopt rules implementing Chapter 1302, Occupations Code, as amended by this Act.

SECTION 18. (a) Makes application of the changes in law made by this Act to Subchapter K, Chapter 1302, Occupations Code, prospective to September 1, 2018.

(b) Provides that the repeal by this Act of Section 1302.508, Occupations Code, does not affect the validity of a certification issued by TDLR before September 1, 2018, and the former law is continued in effect for the purpose of that certification.

SECTION 19. Effective date: September 1, 2017.