

BILL ANALYSIS

H.B. 472
By: Pickett
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The State Fire Marshal's Office currently administers eleven different types of required licensing examinations, which are all administered in Austin. In Fiscal Year 2002, the State Fire Marshal's Office administered 3,637 examinations to approximately 2,276 individuals generating \$48,840 in revenue.

Traveling to Austin from remote parts of the state for examinations may result in the loss of work time or in travel costs for some individuals and employers. Private testing firms currently administer examinations electronically to license applicants for other state agencies at multiple sites throughout Texas. Allowing the State Fire Marshal's Office to offer examinations through private testing companies would increase the examination fee to the applicant, but may result in an overall reduced cost through the reduction in or elimination of travel and lost work time. Testing services could offer examinations more frequently and at more convenient times such as weekends and evenings.

House Bill 472 authorizes the State Fire Marshal's Office of the Texas Department of Insurance to administer examinations by agreement with a testing service for certain licensing programs.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the State Fire Marshal in SECTION 2 (Article 5.43-1, Insurance Code), SECTION 4 (Article 5.43-2, Insurance Code), SECTION 6 (Article 5.43-3, Insurance Code), and SECTION 7 (Section 2154.1025, Occupations Code) of this bill.

ANALYSIS

House Bill 472 amends the Insurance Code to provide for the administration of licensing examinations by a testing service for certain individuals who work with fire extinguishers, fire detection and alarm devices, and fire sprinkler protection systems. House Bill 472 amends the Occupations Code to provide for the administration of licensing examinations by a testing service for certain individuals who work with fireworks.

The bill requires the State Fire Marshal to establish the scope and type of examinations required. The bill authorizes the State Fire Marshal to administer examinations or to enter into agreements with testing services. The bill authorizes the State Fire Marshal to contract with testing services regarding requirements for examinations, including examination development, scheduling, site arrangements, grading, reporting, analysis, or other administrative duties. The bill authorizes the State Fire Marshall to require a testing service to notify a person of the results of the person's examinations. The State Fire Marshal is authorized to require a testing service to correspond directly with an applicant, to collect a reasonable fee for the examination, or to administer an examination at a specific location or time.

The bill increases from \$50 to \$70 the upper limit on an initial license fee for employees of registered firms engaged in the business of installing or servicing portable fire extinguishers or planning, installing, or servicing fixed fire extinguishers. The bill increases from \$100 to \$120 the upper limit on an initial license fee for fire

alarm technicians, residential fire alarm superintendents, or fire alarm planning superintendents. The bill exempts testing services from the upper limits that currently apply to non-refundable initial examination and reexamination fees for licensing of certain individuals who work with fire extinguishers and fire alarms. The bill exempts testing services from the upper limit that applies to nonrefundable initial examination fees for licensing of individuals working with fire protection sprinkler systems. The bill increases from \$30 to \$50 the upper limit on the nonrefundable initial examination fee for a pyrotechnic operator's license or a pyrotechnic special effect operator's license, and exempts testing services from this upper limit. The bill exempts a testing service from the upper limit applied to the nonrefundable fee for reexamination of pyrotechnic operators and pyrotechnic special effects operators.

The bill requires the State Fire Marshal to adopt rules as necessary to implement the examination requirements of this Act.

EFFECTIVE DATE

On passage or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.